THE MERCHANTS' MAGAZINE AND COMMERCIAL REVIEW.

APRIL, 1868.

CAPITAL, LABOR, AND CO-OPERATION.

In a former article upon "Capital and Value," (April number, 1867,) it was assumed that capital is always a fixed quantity; that is, it always bears a like proportion to population. Wealth may increase, and *circulating* capital, along with the increase of population; but *natural* capital, the fertility of the soil, and the mineral and vegetable productions of the earth, will decrease, at least in an equal ratio; and this, the real capital, will always limit the amount of profit upon the operations of labor. Therefore population can only permanently increase as fast as the inconveniences of situation, decrease of fertility, and the scarcity of natural productions can be overcome by the increasing skill, scientific knowledge and the unremitting application of labor.

If these resumptions be true, it follows that the pressure upon population should at all times be steady and uniform, or as nearly so as possible; and no doubt this would be the case, if economical science were sufficiently understood.

Society is divided into two classes, the laborer and the capitalist. The laborer is naturally in the weakest position, and generally looks upon the capitalist as an oppressor, though the capitalist acts merely upon the

common and necessary instinct of selfishness, which, if abrogated in this particular instance, would only produce a greater amount of evil.

If the working classes cannot be induced to act upon the principles of moral restraint and social independence, a certain amount of suffering and misery will always exist; and no amount of benevolence on the part of the capitalist, nor of the philanthropist, can materially lessen it. What seems to be most necessary at present is to infuse into the public mind a thorough knowledge of the true relation which capital bears to labor.

If capital does not exist, *a priori*, that is, the natural forces and products, which alone makes labor profitable previous to the increase of the laborers, providing such increase takes place, the laborers must inevitably share a less rate of wages, or some of them must starve.

These important matters are either overlooked, or they are not understood, even by those who ought to be capable of comprehending the most abstruse problems of social and political science. The complicated intermovements of society, and the vast amount of wealth and apparent capital always in existence, prevent the people from detecting the underworkings of the great laws of moral and material necessity, that are so effective for good or for evil, according as they are understood and obeyed. We may advocate education; but if the already educated and intelligent part of the community will not acknowledge the importance or necessity of the science of political economy, it is not to be expected that the masses of the people will take the trouble to understand it. The question, therefore, of most importance to be understood is, how that part of society dependent upon wages—say 90 per cent. of the whole—are to be made to see clearly that no efforts of the benevolent, no combinations among themselves, and no laws of the government, unless seconded by their own personal conduct, can raise them permanently into a better social condition. In other words, if the working classes will not be prudent and industrious, and cannot control or limit the increase of their numbers, so that such increase does not precede the increase of capital, they must expect to submit to the present or similar evils of degradation, and no power on earth can save them.

A constant war with the capitalist will only make things worse. It will decrease the sum total of products to be divided, and therefore somebody must have less, and it needs no second sight to point out the party upon whom the loss will fall. There will be a loss of wages for the time consumed in strikes, as well as the expenses incurred for the support of trades unions, and a loss from the idleness of machinery and other circulating capital, all tending to the injury of the workmen. But these facts appear not to be taken into consideration, as the working classes seem to believe that it is a mere matter of good or ill will with the capitalist

whether he gives them more or less wages. This, however, is a great mistake, as we shall have occasion to show; but there are other evils affecting both classes, which are more of a political than of a personal nature.

We are often troubled with gluts and stagnations in trade, which have generally been attributed to overtrading and overproduction. Sometimes we have had a plethora of manufactures, sometimes a plethora of food, and very often, of late years, a plethora of money. Money is the great agent or means of distributing all kinds of commodities to the consumer, and yet an extraordinary increase of money will prevent and retard this distribution. There can be little doubt that all the necessaries and luxuries of life could be generally consumed without any unnecessary accumulation, if the means of obtaining them were unaffected by circumstances other than what depended upon their profusion, or scarcity. That *plenty* should be an evil, under proper economical arrangements, seems simply impossible.

When we contemplate the numerous inventions, the improvements of machinery, and the thousand conveniences that did not exist half a century since, all of which have been hailed as blessings to the human race, and yet find that the condition of nine-tenths of the people is, if at all, very little improved, we become conscious that there is something gravely wrong in the arrangements of society, or such a state of things would not exist.

There is at present a plethora or glut of money all over the world, accompanied by a general stagnation of trade in all the manufacturing centres; and thousands of people are starving in the midst of wealth and apparent plenty. The world still looks upon money as capital, though the fallacy has been exploded for a hundred years. Mr. Mill, in his treatise upon political economy, says that it is neither wealth nor capital, and we think that no sane individual that ever thought upon the subject could come to a contrary conclusion. Gold has no power of production, nor will it satisfy any natural want, and yet the world is as crazy about its production as it was in the sixteenth century. But this is not singular, when we consider that through the absurd arrangements of society it is the only commodity for which there is an indefinite demand and an unlimited market; even the present enormous quantity will finally get into circulation, and will still go on increasing.

The old idea that *money* should consist of a commodity, is practically becoming obsolete; it ought to be representative only.

Gold and silver have hitherto been considered peculiarly fitted for the purposes of money; but time seems to have proved that if we are to have a commodity to fulfil the functions of money, it ought to be one of neces-

sary consumption, so that its accumulation and consequent depreciation in exchangeable value might be prevented.

The only currency used by the Mexicans at the time of the Spanish conquest consisted of the cocoa bean. the principal ingredient of the universal beverage of the people; and therefore an article of necessary consumption, and as it was a perishable commodity, it would have the merit of keeping its exchangeable value.

We cannot, of course, go back to such a primitive practice as that of the Mexicans, even if we could find a consumable commodity equally acceptable; but it becomes more evident every day that something must be done to prevent the increased production and continued accumulation of gold and silver money.

The present system of making the precious metals the fixed standard of value and legal equivalent for debts is fast becoming a nuisance which it is incumbent upon the world to get rid of with the least possible delay. Such a system might do well enough while the world was more intent upon war than trade, and before the invention of steam, railroads and telegraphs; but these facilities, with the application of enterprise and machinery to the production of the precious metals, must eventually force a change of system, however reluctant the world may be to adopt it.

The miner takes advantage of the fixed value (price) of gold and silver, and prefers mining for those metals rather than for others, as the market for them cannot under ordinary circumstances be glutted; whereas, a steady increase in the production of cotton, or of any other metal, will affect the market price—this, the most ignorant, are shrewd enough to understand. But the addition of a thousand tons of gold to the currency of the world makes no difference in its price, or exchangeable value, while it remains in the hands of the producer: he consequently plies his calling without intermission at the expense of those who purchase his redundent commodity.

According to some calculations we have added to the currency of the world more than four thousand millions of dollars within the last twenty years, and yet the production of gold is pursued with quite as much ardor and perhaps as much profit, as when first discovered. There is, however, at present a glut of money in all the commercial centres of the world, and great numbers of people are starving chiefly from the uncertainty of trade. This state of things, however, has been increased and intensified by the unsettled condition both of Europe and the United States. And there are still ominous threatenings on both sides of the Atlantic, which prevent speculations and the prosecution of new enterprises, notwithstanding money has been loaned, both in London and in Paris, any time within the last twelve months at little more than two per cent. The banks of England

and France have at the present time more than three hundred millions of dollars in gold, and the deposits in the banks of New York have reached the unprecedented sum of two hundred and thirteen millions.

If ever the time might be expected to arrive, which, according to political economists it must do, when the production of the precious metals should become unprofitable, on account of redundency or glut, we should suppose it would be the present; and yet every newspaper gives accounts of new prospects, new discoveries, and new companies organized for the production of gold. The number of banks also continue to increase, which loan their own paper, and their depositors capital, and both practices, like the production of gold, tend to increase money.

It is a fatal error to suppose, with Smith & Mill, that the precious metals will obey the laws which regulate the production of other commodities, while they are the fixed standard of value in all commercial transactions; nor can the banking system be so regulated that it will not be injurious to the producing classes while the fixed standard remains.

Money has rapidly increased within the last three centuries, and will continue to do so until means be taken to prevent it. The country that purchases it from the mines, in sufficient quantities to raise the price of other commodities, loses just that amount, as it must be exported through depreciation, to all other countries within the circle of commerce of the importing country; so that the country which imports the greatest amount from the producers not only pays for all that it retains, but for that which it exports to other countries also.

Great as this evil is, of unnesessary taxation, it is not the greatest evil which the system produces. This constant increase of money always, at longer or shorter intervals, produces gluts and stagnations of trade, according as other circumstances advance or retard its operation.

It is only ten years since we had the most general and sweeping commercial crisis which had happeneed up to that time, carrying distress and destitution to every manufacturing an l commercial city in the world; and that was just ten years after the new discoveries of gold—at a time when everybody seemed to think we had reached the highest point of commercial prosperity.

To show that these results will continually occur under the present monetary spstem, we have only to refer to the overwhelming numbers of that class of population whose consumption is affected by an increase of price. In England, for example, and there is no reason to suppose that the proportions vary materially in other countries, there are nine-tenths of the people who may be considered to belong to the working class. According to the statistics of the income tax there were less than three hundred and fifty thousand persons whose incomes amounted to ten dollars a week and

upwards; that is to say, the wages of a skilled mechanic. Assuming that the number of persons assessed to this tax in Great Britain to be heads of families, they would amount only to be about six per cent. of the population.

No doubt some of the working class habitually save something out of their earnings, and, therefore, might be capable of keeping up their consumption under a slight increase of price; but, in comparison with the whole, this number is necessarily small. We take it for granted then that the consumption of the large majority would be necessarily curtailed, even by a very small increase of price; labor being the last commodity to be influenced by an increase of money. But there are other causes besides an increase of money for the rise in the price of particular commodities, which operate in the same direction but not to the same extent. Such as the failure of the usual supplies of food, or of the raw material for manufacturers. These evils can only be corrected by the freest intercourse of nations. It is, however, the general and constant increase of prices, caused by the constant superior increase of money, which is the most injurious to society, and especially so to the working class. The decrease of consumption over such a wide surface of population necessarily culminates in an over-stocked market for all commodities, and, of course, a final reaction in prices. Labor must wait till all this is past and confidence is again restored, before a permanent rise in wages is possible. It may, happen, however, in the meantime that, by the help of strikes, trades unions, &c., that a slight rise in wages may be effected, but that will always be lost when the crises arives.

These constant ossitations demoralise society by throwing the working classes at intervals. out of employment, and making them dependent upon charity for support, and as long as the system continues, no efforts of the philanthropist will be available to improve their moral or social condition. The constant war between capital and labor, will continue to engender the worst of feelings, and the most atrocious of crimes.

More primary or elementary education, so much insisted upon at present by the reformers of England, will effect very little towards assisting the people to solve the difficult problems of social and political economy, and to guide their conduct to suit the ever varying phases of modern commercial exigencies. The only effective mode of education for the people, or the working classes, with respect to their conduct or interests, is to prevent these continual fluctuations in the demand for labor, by preventing these periodical gluts. Their burdens and difficulties would then be steady and uniform, and what they had to contend with to-day they would expect to-morrow. Each individual would learn by experience what he had to expect if he should increase his burdens and liabilities by entering

into the state of matrimony without securing a sufficient income. He would know that poverty and degradation were inevitable.

It is a notorious fact, that when trade is brisk and times prosperous, that the number of marriages increase. The parties being young and inexperienced, always hoping and expecting that times will continue to be prosperous; whereas, prices may rise, as they are now certain to do, from this continued increase of money; which, while it may possibly operate to accelerate production, it will inevitably retard consumption, untill it ends finally in a glut and a crisis, as we have too often experienced. What then will continue to be the fate of the parties to these improvident marriages? It is almost needless to add, that if these periodical fluctuations continue they will become paupers, and therefore a burden to the State.

But we have intimated that there are other causes of fluctuation in price beside the disproportionate increase of money. A dearth of almost any important crop, in one or more countries will operate to increase prices, and of course, in the end, to interupt the demand for labor.

The present monetary system encourages unnecessary speculation, and therefore when there is even a suspicion of a deficiency of any particular commodity, a much larger quantity of it is withdrawn from market by parties holding it for an increased price, merely on speculation, than is found in the end to be necessary. This finally reacts to produce a glut of this very commodity, and further irregularity both of consumption and production.

While this system continues, the wages and the demand for labor will be very uncertain, especially in populous and manufacturing countries; but under no circumstances can its remuneration exceed the sum which the existing capital can furnish for that purpose. Trades unions and combinations cannot, of course, by any means increase the aggregate amount to be expended upon the employment of labor; though they may possibly succeed in raising for a short time individual wages. This must be done, however, at the expense of keeping out of employment a certain number of laborers; but if this process be carried too far, the capital necessary for the support and the remuneration of the laborers will be consumed. The capitalist being left without sufficient profit will be unable to renew the machinery, buildings and other conveniences necessary to carry on business, consequently the success of trades unions would end in a decrease of wages. There cannot be a greater fallacy entertained than the supposition that labor can be benefitted at the expense of capital Capital is nothing without it can be used; it is therefore always biding for labor, and to consume or destroy it is only like the oft-repeated fable of the man that destroyed the goose to obtain the golden eggs all at once It is cutting off the stream at its source. To increase wages beyond the

legitimate amount is simply impossible. In the present state of universal competition it is the interest of the operative to excel in his calling, and to present in the market the best article of its kind; as the consumer can always afford to pay more wages, in proportion, for a good than a poor article. Cheap articles are an evil both to the producer and consumer, and less profit is always obtained for the handling. The only remedy on the part of the workman, for low wages, will be found in prudence, industry and economy, always remembering that even these will be of little avail to secure his permanent interest, unless the fluctuations in the demand for labor are reduced to a minimum.

Co-operation is another fallacy which time will explode. Formerly it was a true saying that partnerships did not often succeed, and as human nature is still human nature, it seems not unreasonable to expect like results from the operation of the same principles and arrangements. These extensive partnerships, like Social or Fourierism, will be found to neutralise the principles of individual energy, enterprise, ingenuity and economy, and will therefore work at disadvantage against well regulated individual efforts. These necessary principles of success can only flourish untrammelled by associated operations and interests, therefore, in spite of their present boasting, we shall expect that a few years will be the limit of their existence.

With respect to associations for the purposes of retail trade, they will be found but a very slight remedy for the evil of low wages. It is possible they may flourish to some extent for a time, but finally, like other financial schemes, they will pass away and be forgotten. The credulity of the masses will aid and support them until it is seen that they do not nor cannot sell cheaper than a well conducted cash establishment, then they will find out that the supposed profit is a myth, and does not compensate for time, capital and management.

When these phantasies are exploded, or have ceased to exist in the brains of pseudo reformers, society may perhaps be ready to receive and act upon the true but severe doctrines of political economy. Until then neither the moral nor social condition of the world will be materially improved. RD. SULLEY.

THE NATIONAL BANK CURRENCY,

BY A. W. STETSON.

Both in and out of Congress, much has been said in favor of withdrawing the national bank currency, and substituting therefor United States legal tender notes. The only argument employed in support of such a

policy has been that it will save the government $18,000,000 per annum. Prima facie, the argument is strong, forcible and popular; it has attracted considerable attention and secured for the policy many adherents; but inherently it is weak, base and defective; and, when clearly understood, will receive the condemnation which it deserves. It is a wolf in sheep's clothing. Under the specious cloak of economy, they who favor that policy would break down the national banking system for the purpose of placing the whole currency of the country in the hands of politicians, to increase or decrease according to the turn of their political fortunes; opening wide the door for an irredeemable paper currency.

Such action would be suicidal to the best interests of the country. It would not only be a breach of faith on the part of the government with the banks, but would bring upon the country increased depression and distrust as to its monetary policy, and overwhelm the community with fearful forebodings as to the future.

What the country needs is a uniform and stable financial policy. It is now only about three years since the national banking system was inaugurated; the very object of which was to provide a national currency which should be established upon a firm and enduring basis. And, to accomplish an object so desirable, every effort was put forth to secure the cooperation of the then existing State banks; and the act was so amended that it offered many inducements to them to relinquish their old charters, give up their former circulation and adopt the new system.

Says Mr. Hooper in his speech, March, 1864:—

"The object has been to offer every facility and inducement to the State banks to organize under the act, rendering it more secure and more profitable to the stockholders and more beneficial to the people."

Says Mr. Sumner, May, 1864:—

"The State banks will be welcome to a place in the national system, but they cannot be tolerated if they stand aloof or refuse to take the post which is assigned to them." "If you are for a national life-giving currency you must abandon the State banks or compel them to enlist in the national cause; and you must so endow and protect the national nystem that it will be commended to the public and that investments would naturally seek it."

Hence, in consequence of the privileges incorporated into the act, and the protection and promises it held out, nearly all of our State banks surrendered their former charters and accepted places under the new system.

The fundamental object of the national bank act was to provide a national currency, and that currency was to take the place of the State bank notes and, ultimately, that of the government issues of legal tenders; but the government did not consider it honest to deprive the State banks of their issues without giving them an equivalent.

Says Secretary Chase:—

"The national banks were certain to be useful to us in many ways, but the main object was the establishment of a national currency."

Says Senator Sherman, May, 1864:—

"If this bill is a success I have no doubt that within a few years after the war is over there will be no currency but national currency and coin." "Secretary Chase is of the opinion that a currency resting for its basis on United States bonds which the banks are bound to redeem, will more speedily enable him to resume specie payments; and he hopes after peace shall have come, to fund and retire the notes of the United States so that nothing will be left excepting this national currency and gold and silver coin."

It is therefore apparent that the State banks were induced by the grant of certain privileges to relinquish their old charters; and that the object of the new system was to provide a currency through the national banks which should have a permanent existence; and, in accordance with the action of Congress, that currency has been provided, and it has thus far proved to the country, at once national, convenient and safe, and has met with popular if not universal approval.

Now, however, it is proposed to withdraw from the national banks the currency to which they are entitled, and for the issue of which they were organized under the national bank act, and substitute therefor legal-tender notes. The adoption of such a course would have the most disastrous effect upon the business of the country and bring upon the people incalculable evils.

1st. It would open the flood-gates of an irredeemable paper currency.

2d. It would break down the national banking system and make the government virtually a great banking institution without its facilities and organism.

3d. It would establish Congress the great note issue department of the country.

4th. It would thereby subject the volume of currency to the whims or caprice of sundry politicians.

5th. It would burden the country with a currency which would have no flexibility and no adaptation to the wants of trade.

6th. It would subject the people to financial instability and insecurity.

7th. It would unsettle values and render business a mere lottery.

8th. It would break down all confidence in the government both at home and abroad, and render the financial future of our country dark, dismal and gloomy.

Such are, in brief, some of the effects which are, in my opinion, sure to follow the issue of more legal tender notes as a substitute for National bank currency.

It seems to me that if there is any one thing which should be placed

above and beyond the easy reach of politicians, it is the currency of the country. For the currency of a country is its *life blood!* It is the most sensitive and delicate portion of its organism. If meddled with either by unnatural increase or diminution the whole system becomes disordered. If polluted by extraneous matter, or weakened by substances of no material value, the whole body becomes infected with disease, which, if unchecked, results in inevitable decay and death.

All history has demonstrated that the only safe and reliable currency for any nation is one which possesses in itself intrinsic value, which cannot be manufactured by legislation, or tampered with by politicians and demagogues. Hence, I argue that in view of this indisputable truth, it is our duty, and the duty of all true patriots to hasten rather than retard a return to specie payments.

I hold that the government is pledged to pay or to withdraw its legal tender notes. They were issued during a tremendous war as a war measure, and a temporary expedient; this will be universally admitted. And it was the confident assertion of the supporters of that measure that at the termination of the war those notes would be withdrawn, the debt funded and specie payments resumed. With this understanding hundreds of millions of paper promises to pay were issued by the government and taken by the people; and those hundreds of millions exist to-day in the possession of the people, awaiting the action of the government to fulfil its promises. I say the government is in honor bound either to pay when it promises to pay or to withdraw its promises. Nearly three years have elapsed since the close of the war, and during that time the government has acted in good faith with its creditors; but lately affairs have taken a new turn, and it is proposed by philosophic politicians not only to stop the withdrawal or contraction of promises to pay dollars, but to pay the principal of the debt by more promises to pay dollars.

I am now as ever opposed to an irredeemable greenback currency. I am now as ever in favor of preserving the honor, good faith and integrity of the government wherever or whenever it has been pledged. If it has promised to pay hundreds of millions of dollars on demand, then I say it is morally bound either to pursue a system of contraction by taking up its promises or by performing them. Any other course is a violation of the principles of common honesty. It promises what it will not perform. And just so long as the government refuses to pay, or to withdraw its unfulfilled promises, just so long it upholds a dishonest and unworthy course of action.

It may be said that the national bank currency is of the same character and certainly no harm can arise in substituting the one for the other. But that is not true. The national bank currency is a *redeemable* currency, whereas the government currency is *irredeemable.*

The one is redeemable in lawful money, the other promises to pay dollars which it does not and will not pay. The national banks are acting in good faith towards the government and the people; and if the government will continue to act in good faith with the banks and the people by contracting, or, in other words, withdrawing or taking up, its promises to pay, it will increase their value and soon bring them up to par with specie; and, as the national banks are compelled to redeem in lawful money, they will be forced to pay their notes in specie or its just equivalent.

The banks will be driven to this by the honorable and judicious action of the government; they will be obliged to contract their loans, and redeem more or less of their currency until the whole currency of the country is at par with coin.

I am no zealous advocate of the national banking system; I think it susceptible of many amendments; nevertheless, I think it would be an act of the most consummate folly now to break down that system. It would put back specie payments twenty years.

If it is desirable to return to specie payments there never will occur an opportunity more favorable than the present. Currency is abundant at all financial centres, and can be easily withdrawn without creating a monetary pressure of much severity. A return can be gradually accomplished by pursuing a system of contraction, and in no other way. We can never get back to specie payments without *suffering*, and the longer we delay the more severe will be the penalty. Delays are dangerous. Already false prophets are arising who are so infatuated with paper promises to pay, that they predict the country could bear $1,000,000,000 of greenbacks in circulation; and soon other prophets may arise who will predict that they can enrich the now impoverished Southern States and the masses North and West, by issuing enough to pay the whole debt of the country; and these modern philosophers will undertake to demonstrate that thereby they will save $150,000,000 per annum in taxation which now burdens the people.

Our only safety, therefore, for the future, is to maintain the honor, good faith and integrity of the nation, towards the banks, the people, and the world, by honest efforts to fulfil our promises wherever they may exist—by honest efforts to pay our debts, not in promises, but in intrinsic value; by so doing we shall establish our credit throughout the civilized world upon a permanent and enduring basis.

IRON AND STEEL IN THE UNITED STATES.

[The organization known as the Iron and Steel Association held their annual meeting at Philadelphia on the 4th of March, at which the Secretary presented a report containing valuable information with regard to the extent and condition of the trade in the United States. From this report we have compiled the following :]

Owing to the large number of iron works of various kinds in the United States, and the vast extent of country over which they are scattered, the task of collecting reliable statistical information is by no means a light one. For, while the proprietors of most of the works report with commendable promptness, others do so only after frequent applications have been made. It is true that at some works where a number of kinds or classes of iron is manufactured no inconsiderable time is required to give an analysis of the production in accordance with the forms which we have adopted, but we are satisfied if the importance of the work were fully understood, full and accurate returns from all would be transmitted without unnecessary delay. Since the beginning of the present year your secretary has sent blanks for the purpose referred to, to the various iron works throughout the country—about 1,100 in number—and a very large proportion of them have been filled and returned. These have been arranged and tabulated, and the results obtained are herewith submitted. It is proper to remark that, with one or two exceptions, full reports have been received from the anthracite furnaces and rail mills, while with regard to the other furnaces, rolling mills and forges a number of estimates were necessarily made, but with such care as to justify the belief that they will be but slightly modified by the correct returns to be hereafter received. The last meeting of the association took place so early in 1867 as to preclude the possibility of giving at that time the production of our iron and steel works for the previous year (1866.) These will be given in this report in order that a comparison may be made with the corresponding figures for last year.

The following statement exhibits the quantity of anthracite iron manufactured in each State during the years 1866 and 1867, respectively, in tons of 2,000 pounds :

	1866.	1867.
Massachusetts	3,606	3,500
New York	118,274	145,417
New Jersey	40,680	36,919
Pennsylvania	573,759	586,584
Maryland	13,048	12,363
Total	749,367	784,783

Anthracite iron was first made in this country about the year 1837, since when its production has increased to the volume indicated by the above figures. Its history has been marked by some severe reverses, the principal of which were caused by unwise legislation. The statistics of

this branch of business were first compiled in 1849, showing the production for Pennsylvania only, which amounted in that year to 118,664 tons. The production of the whole country in

1854 was ....tons	339,435	1861 was ....tons	409,229
1855	381,866	1862	470,315
1856	443,113	1863	577,638
1857	390,[illegible]85	1864	684,018
1858	361,430	1865	479,558
1859	471,[illegible]45	1866	74[illegible],3[illegible]7
1860	519,211	1867	784,783

The production of raw coal and coke pig iron during the past two years has been as follows:

	1866.	1867.
Pennsylvania....................................	170,600	191,072
Ohio..	97,198	126,375
West Virginia....................................	1,198	1,200
Total..	268,996	318,647

The progress of this branch of manufacture has been steady, as the following figures for the past fourteen years indicate. The production in

	Tons.		Tons.
1854 amounted to................	54,485	1861 amounted to	127,037
1855 "	62,390	1862 "	1[illegible]0,687
1856 "	69,554	1863 "	157,961
1857 "	77,451	1864 "	209,626
1858 "	58,351	1865 "	189,682
1859 "	84,841	1866 "	268,996
1860 "	122,228	1867 "	318,647

The average annual increase in the make of raw coal and coke pig iron in Pennsylvania, during the above named period, has been about 12,300 tons; and in Ohio 8,200 tons. In the former State it has increased from 29,941 tons in 1854 to 191,072 tons in 1867, in the latter from about 20,000 tons in 1854 to 126,375 tons in 1867.

The tabular statement following exhibits the quantity of charcoal pig iron made in the country during the past two years:

	1866.	1867.		1866.	1867.
Massachusetts	14,514	12,262	Ohio..................	87,888	89,[illegible]25
Vermont	4,816	1,907	Michigan..............	35,448	55,743
Connecticut..........	19,671	18,607	Missouri..............	25,663	19,500
New York...........	21,920	26,942	Wisconsion...........	5,241	5,400
New Jersey..........	6,426	9,000	Kentucky............	15,000	21,300
Pennsylvania	57,841	60,155	Other States........	8,500	
Maryland............	26,652	24,000			
Total..................			....	332,780	344,341

In New England the expansion of the charcoal pig iron manufacture for a number of years has been prevented by the scarcity of timber, and many furnaces, owing to this cause, have been abandoned. At the present rate of consumption, however, it is believed that there will be no exhaustion of

the supply of wood, on account of the rapid advancement of the "second growth."

The production of charcoal iron in New York in 1867, as compared with that in 1854, exhibits a falling off of about 8,000 tons; the make steadily declined from 34,970 tons in 1854, to 11,897 tons in 1861, since which it has as regularly advanced, amounting in 1867 to 26,942 tons, as previously stated.

The beginning of the charcoal iron manufacture in Pennsylvania is dated as far back as the year 1715. Up to the end of 1776 seven furnaces had been erected. From that time to the beginning of the present century twelve others were built. We learn from the most reliable records that fourteen furnaces made iron during the year 1800, and five were idle though not abandoned. Within the next thirty years forty-nine aditional charcoal furnaces were built and ten abandoned. From 1830 to 1847, one hundred and thirty furnaces were built (an average of eight per annum), and twenty-six abandoned. In the latter year the number of charcoal furnaces in Pennsylvania reached its maximum, there being one hundred and seventy in working order. Since that time, with the exception of a single year, the number of furnaces annually abandoned equal or largely exceed the number erected; during the years 1856–7–8, forty-eight were abandoned and dismantled. In 1854 the production was 116,000. During the following eight years the average annual decrease was over 9,000 tons; the whole make in 1862, by forty-six furnaces, being only 42,880 tons. Since then, as observable by the figures previously given, there has been an increase in averaging about 3,000 tons annually. But little charcoal pig is now made in Pennsylvania west of the mountains, the production last year by the five furnaces in blast being about 6,500 tons.

In Ohio the fluctuation in the production of charcoal pig iron, owing to apparent causes, has not been so marked. Its manufacture there may be said to date from about the year 1830; from that time to the year 1857 it largely increased in volume, the production in the latter year being 81,156 tons. Since then the average annual make has been 67,265 tons, falling to 51,390 tons in 1861, and rising to 89,525 tons in 1867.

In Michigan the development of this branch of manufacture has been quite remarkable. The first furnace was erected in 1852. In 1854 the production was only 900 tons. Since that year the average annual increase has been 4,200 tons; the quantity made last year amounting to 55,743 tons.

The increase in Missouri has also been considerable. In 1854 the total production in that State was 5,798, three furnaces being in blast; in 1866 six furnaces produced 25,662 tons.

The following statement exhibits the total quanttity of pig iron made in the United States during the years 1866 and 1867:

	1866. Tons.	1867. Tons.
Anthracite pig iron	749,367	784,783
Raw bituminous coal and coke	268,996	318,647
Charcoal	332,780	344,341
Total	1,351,143	1,447,771

The product of the forges and bloomaries in the country during the past two years is as follows:

	1866. Tons.	1867. Tons.		1866. Tons.	1867. Tons.
Maine	305	821	New York	23,313	22,634
New Hampshire	1,314	1,500	New Jersey	6,493	5 980
Vermont	1,700	1,550	Pennsylvania	31,330	31,747
Massachusetts	4,644	4,471	Other States	3,720	4,250
Connecticut	786	620			
Total				73,555	73,075

As near as we are able to estimate the proportion of the above make made direct from the ore was in 1866 36,500 tons, and in 1867 35,800 tons, making the grand total production of iron from the ore—

In 1866	1,387,643 tons.
In 1867	1,483,571 "

The total product of the rolling mills in 1866 and 1867 was as follows:

In 1866	1,026,189 tons.
In 1867	1,041,946 "

Of these quantities, the proportion of rails is as follows:

	1866. Tons.	1867. Tons.		1866. Tons.	1867. Tons.
Maine	3,342	9,900	Ohio	31,849	33,199
Massachusetts	29,457	27,189	Kentucky	9,856 (est.)	8,000
New York	58,947	57,043	Michigan	11,186	8,062
New Jersey	2,816	2,076	Indiana	10,438	8,944
Pennsylvania	212,786	245,081	Illinois	45,584	44,896
Maryland	2,532	10,840	Tennessee	11,046	5,390
West Virginia	989 (est.)	800			
Total				430,778	461,420

Of the product for 1866, 182,082 tons were new and 248,696 tons re-rolled; for 1867 207,552 tons were new and 253,868 tons were re-rolled.

It is impossible, as yet, to accurately analyze the other products of the rolling mills for 1867, as many of the returns gave the total quantities without specifying the items composing them; but we have succeeded in itemizing the production for 1866, which we give by States in the following tabular statement, which may be relied on as substantially correct:

States.	Merchantable Bar & Rod.	Sheet.	Plate.	Hoop.	Nails & Spikes.	Axles & other.	Total.
Maine	4,592	....	....	....	350	....	4,942
New Hampshire	4,167	....	....	....	....	....	1,167
Vermont.......	200	....	....	....	2,740	950	3,890
Massachusetts .	16,564	....	9,143	830	22,666	7,025	56,228
Rhode Island..	6,591	1,700	....	....	4,200	....	12,491
Connecticut ...	7,178	....	....	....	....	1,675	8,853
New York....	47,657	600	239	425	7,170	14,106	70,197
New Jersey...	11,478	....	6,000	435	24,519	6,184	48,616
Pennsylvania..	118,013	22,035	35,006	11,595	47,382	9,940	243,921
Delaware	2,717	283	1,064	....	....	....	4,064
Maryland	5,569	3,261	10,566	....	1,480	2,726	23,602
W. Virginia...	2,500	320	....	....	21,575	....	24,395
Ohio	42,266	3,640	4,426	3,174	15,593	6,953	76,052
Other States ..	9,700	2,180	5,063	....	....	....	16,994
Total.......	276,192	34,069	71,507	16,459	147,625	49,559	595,411

The following tabular statement exhibits the total quantity of iron of all kinds consumed in domestic forges, rolling mills and foundries in 1866:

	Tons.
Domestic product from the ore as before stated	1,387,643
Deduct quantity sold in bars immediately to consumers by bloomaries, and therefore not entering into the manufactures embraced by this table....	12,000
	1,375,643
Scrap imported	15,000
Scrap domestic..	80,000
Old rails	325,000
Scotch pig imported	80,000
Total	1,875,643

Of this total, excepting Scotch pig therefrom, the following are the proportions of pig, scrap and old rails respectively, consumed by domestic forges, rolling mills and foundries:

Amount last stated		1,875,644	
Deduct Scotch pig..................................		80,000—	1,795,643
By forges, product	37,055		
Waste....................................	12,352—	49,407	
By rolling mills, product..................	1,026,189		
Waste....................................	256,547		
	1,282,636		
Deduct blooms*............................	52,055—	1,230,461	
By foundries, domestic pig........................		515,655—	1,795,643

The Scotch pig imported was consumed by the founderies, making, with the domestic pig, a total for this class of works of 595,655 tons.

* The total number of blooms produced from ore is		36,500
Sold direct in bars		12,000
		24,500
Total blooms by forges	37,055	
Made into bars and shapes	9,500	
The waste in making which is added, under the head of "Forges" in the text.		27,555
Total blooms going into mills		52,055

The following is an approximate estimate of the consumption of domestic pig iron:

	Tons.
Domestic pig consumed by forges	35,000
" " by rolling mills	800,488
" " by founderies	515,655
Total, as previously reported	1,351,143

The following statement exhibits the quantity of iron of all kinds used in every form of domestic manufacture for general consumption:

		Tons.
Total of domestic irons produced from ore as previously reported		1,387,643
Pig iron imported	80,000	
Rolled and hammered, imported	232,500	
Scrap, imported	15,000	
Total imported		327,500
Add old rails, re-worked, domestic	325,000	
Scrap	80,000—	405,000
Grand total		2,120,143

Of this total the quantity and kinds of rolled and hammered iron, obtained from all sources consumed in the United States in 1866, was:

	Domestic Produced. Tons.	Imported. Tons.	Total Cons'ed. Tons.
Rails	430,778	100,000	530,778
Merchantable bar and rod	276,192	81,950	358,142
Steel	34,069	17,715	51,784
Plate	71,507	960	72,467
Hoop	16,459	9,725	26,184
Nails and spikes	147,625	....	147,625
Axles and other	49,559	22,150	93,209
*Hammered bars and shapes	21,500		
Total amount of finished wrought iron that entered into general consumption in 1866	1,047,689	232,500	1,280,189

The percentage respectively of foreign and domestic iron of all kinds, which entered into general consumption in 1866, is:

	Domestic. Tons.	Foreign. Tons.	Total. Tons.
Rolled and hammered as above	1,047,689	232,500	1,280,189
Pig iron	515,655	80,000	595,655
Total	1,563,344	312,500	1,875,844

which gives the proportion of 83 per cent. domestic to 17 per cent. foreign.

Our information relative to the production of the steel works of the country for 1867 is not sufficiently full to enable us to state the exact

* Produced as follows: By bloomaries, bars, 12,000; by forges, 9,500—total, 21,500.

amount. But the returns received indicate that the product varied but little from that of the previous year (1866) which was as follows:

	Tons.
New England	2,603
New York (not including Bessemer steel)	1,000
New Jersey	4,157
Pennsylvania	11,213
Total	18,973

In 1867 about 3,000 net tons of Bessemer steel was made. The production of this material promises to be materially augmented during the present year. In addition to the works now in operation at Troy, Harrisburg and Detroit, two others, one at Lewiston, Pa., another at Cleveland, Ohio, will soon commence operations.

The steel manufacture is suffering severely from the effects of foreign competition. The importation last year amounting to 21.566 tons (net), about 53 per cent. of the quantity consumed in the country. Our steel works, as well as our iron works, have ample facilities for supplying the home demand for their products, and it is without doubt the policy as well as the duty of the government to give them an opportunity to do so.

It is impossible to ascertain from our Government records the quantity of iron and steel imported into this country in 1867, as the Treasury accounts are made up to the end of each fiscal year (June 30th). But we find by the last report of the British Board of Trade that during the year ending November 30, 1867, the following quanties of iron and steel were shipped from the various British ports to this country. The quantities are reduced to net tons:

Pig	143,684
Bar, angle and rod	50,751
Railroad	188,770
Castings	1,357
Hoop, sheet and plate	35,056
Old, for manufacture	21,566
Other iron (wrought)	8,661
Total iron	449,845
Steel	21,556

These quantities exceed by 43 per cent. the importations of the previous year.

Of the whole quantity of pig iron exported by Great Britain during the period above given, the United States took 22 per cent., a much larger quantity than was exported to any other country. Of bar, angle, bolt and rod we took 15 per cent., British India alone proving a better customer. Of the 651,856 tons of railroad Iron exported, 188,770 tons were shipped hither, or 29 per cent. Leaving out India, which is a part of British domain, we imported more English railroad iron than any other twelve of

her customers. Of hoops, sheet, and boiler plate, we imported 35,056 tons, being 23 per cent. of the total quantity of English exports of this kind of iron. Of the 37,092 tons of steel exported by England, 21,566 tons, or 58 per cent., were shipped hither. Surely these are startling facts. and yet we are often told by British and American free-traders that this is the only country with which England has not free and unrestricted commercial intercourse.

In 1867 the total quantity of iron ore mined in the Lake Superior region amounted to 516,981 tons, an increase over that of the previous year of 55 per cent. The history of this branch of business in that district dates back to 1858. In that year 37,759 tons only were mined; since then it has increased to its present gigantic proportions. Within the past year several new mines have been opened, and the capacities of the old ones largely increased.

A brief review of the iron trade abroad during the past year may not be out of place here. In England this branch of business has largely participated in the calamitous depression which the general trade of the country has experienced since the great monetary panic of 1866. Lower prices of iron of all kinds have ruled, and are still ruling, than have been known for very many years. The causes of this stagnation are attributed partly to over-production a few years ago, the collapse of home and foreign railway schemes for extensions and new lines, and to the defective harvests of last yaar.

The full returns showing the production of iron in England during last year have not yet been received, but judging by the reports from several of the principal iron-producing districts, it will be somewhat less than in 1866, when the product of pig iron reached 4,536,051. The quantity of iron exported from Great Britain in 1867 exceeded by about 200,000 tons that of the previous year.

In Scotland, although the iron trade suffered in common with other industries, the production of pig iron reached 1,031,000 tons, being an excess of 37,000 tons over that of the previous year. The shipments and home consumption amounted to 1,068,000 tons, a falling off compared with the corresponding figures of 1866, of 68,000 tons. The stock on hand at the close of the year was 473,000 tons, a decrease of 37,000 tons. The whole number of furnaces in Scotland is 164, of these 112 were blowing at the close of the year. The average number of furnaces in blast throughout last year was 108, and the production per furnace 9,500 tons. The fluctuations in prices have been comparatively unimportant, varying from 51s. 6d., to 55s. 6d. per ton, mixed numbers f. o. b. at Glasgow, averaging 53s. 6d. per ton. The present priceis 52s. 6d. Miners' wages averaged during last year 4s. 9d. per day, being 9d. lower than the previous year;

and we are informed that the tendency is still downwards. The home consumption of pig iron was as follows: by foundries, 264,000 tons; by rolling mills, 156,000 tons, of the shipments 255,000 tons were sent to domestic ports, of the latter, considerably more than one-third was shipped to the United States. In France the production of pig iron in 1867 is estimated at 1,142,800 tons, as follows:

Of charcoal pig	177,300 tons
Of coke "	886,850 "
Of charcoal and coke (mixed)	78,700 "

These figures show a decline in the production of pig iron, as compared with the previous year, of 110,300 tons. The product of manufactured or wrought iron amounted to 801,000 tons, a decline of about 10,000 tons,

In Belgium the iron trade during the past year has been in a somewhat depressed condition, particularly so in regard to pig iron, the exports of this iron being considerably less than in 1866. The home demand has also been less active. Another unfavorable element with which the Belgian blast furnaces have had to contend with has been a heavy increase in the importation of pig iron. The exports of rails shows an augmentation of 14,000 tons. In the first ten months of 1866, Belgium exported to the United States 1,480 tons of rails, while during the same period last year not a single ton was shipped to this country.

From Prussia and Austria we have no late statistical information relating to the interests which you represent. The rapid expansion that has of late years marked the steel manufacture of those countries is attracting the attention of iron and steel makers throughout Europe.

THE ERIE RAILROAD CONTEST.

To the public at large the ordinary stock excitements of Wall street have little interest. The recent contests, however, in that *tauro-ursine* assemblage, the Stock Exchange, are of more moment than is generally supposed. Two railroad kings, with a retinue of influential retainers, have entered the lists, each well versed in the arts of the stock ring, each determined and each possessed of vast resources. Our readers are aware that, comparatively recently, the Harlem, Hudson River and New York Central roads have passed under the virtual control of one leading mind, and that the Cleveland and Toledo road also stands impliedly committed to the same interest. This unity of management has been accomplished to secure a harmony of working interests between a line of connecting roads running from New York to the West. This, however, is but one of the trunk routes connecting this market with the Western

interior. The Erie road, with its vast appliances, runs to the shores of Lake Erie, and by alliance with other roads may be constituted a through route extending from New York to San Francisco. Here is a possible source of competition with the New York Central combination. Very naturally, therefore, the latter party desire to secure the control of the Erie road. The present Erie direction, however, appear disposed to assume an independent position; and in order to protect their interests, have determined upon an arrangement with the Michigan Southern road, under which the latter agrees to lay an extra rail upon its track so as to enable the Erie broad guage cars to run upon its road, while the Erie engages to aid in the construction of a broad guage branch connecting the Michigan Southern with the Atlantic and Great Western at Akron, giving the Erie a broad guage through connection to the Pacific railroad.

It thus appears that arrangements are completed for two distinct and competing combinations from New York to the far West. The New York Central combination are anxious to neutralise the competition of the Erie route; and the recent extraordinary transactions in Erie stock and the institution of legal proceedings against the Erie direction are more or less connected with plans for accomplishing that object. Some of the most notorious acts in the management of the Erie company, more especially the negotiation of the three millions loan with Mr. Drew, have been brought into court, and alleged as grounds for the removal of that gentleman from the direction. It is also sought to hold him to his full legal responsibility for having used for speculative purposes 54,000 shares of the stock of the company held in trust as collateral for his advances to the company. An injunction has also been issued restraining the direction from issuing stock or bonds to affiliated roads existing or projected, or in any way involving the Erie company with the interests of such roads. It is not improbable that these suits may have been partially designed to assist pending speculations in Erie shares; but there can be little doubt that the main purpose is to secure the removal of the master spirit from the Erie counsels, and to prevent any new issues of stock calculated to embarrass the efforts of the New York Central party to secure the control in the next election.

The precise amount of stock the Erie direction have recently issued is perhaps known only to themselves. In Wall street, however, it is generally considered reasonably certain that the new issues amount to from 50,000 to 80,000 shares. The two parties may thus be considered as in a state of open war. If in the contest every sort of artful and tricky expedient is resorted to, and the interests of a great corporation are recklesly dealt with, it will excite no surprise; for in the present demoralization of railroad management everything

appears to be considered allowable that is likely to prove successful as a speculative expedient. These proceedings, of course, have a very injurious effect upon railroad investments; showing as they do with humiliating plainness, that the interests of stockholders are absolutely at the mercy of managers who control the roads for mercenary speculative purposes.

Thus far we have noticed but the incidents of a contest which has a very important bearing upon the interests of the public at large. The question that concerns our great trading interests is this—shall the main avenues of our commerce be under the control of a gigantic monopoly, or shall they be stimulated and expanded under a wholesome competition of transportation companies? We have no question that the New York Central combination, under the control of Mr. Vanderbilt, would be conducted with an economy and general efficiency which, while redounding to the advantage of the shareholders, would yet serve well the public interests. But it is undoubtedly to the interest of the public that even the best possible management should be placed under the stimulus of competition. While readily conceding all that can be reasonably claimed as to Mr. Vanderbilt's abilities as a railroad manager, and while allowing that the Erie would be sure of a more efficient head under his supervision than under its present and late control, yet it would be a matter of regret upon public grounds were the two independent routes to pass into the hands of the same parties. Monopolies are invariably selfish and regardless of the public convenience and interest. They are exclusive when they should be considerate, and grasping when they should be generous; and for this reason the country cannot afford that its means of transportation to and from the chief Atlantic port should be placed under the power of one board of direction. Already the rates of carriage are so high as to materially impede our commerce; and the desideratum of our trade is an amplification and a cheapening of transportation. The rapid growth of population and trade are sufficient to induce the providing of enlarged carrying facilities if free scope be allowed to corporate enterprise. But in case all our trunk roads pass under the same control, what prospects is there that the Legislatures of the different States will look with equal favor on new enterprises? The record of corruption at Albany and elsewhere is two plain and voluminous to admit of any hope that legislation in these matters would not be dictated by the parties who controlled the roads. Besides it would be to the interest of such a combination to prevent the building of new roads; and who that knows the difficulties of a new enterprise of this kind struggling into existence does not see that by putting down freights temporarily below the paying rates, this old combination could long deter capitalists

from entering upon the construction of any competing line. Then, again, the control of the canals, through legislative corruption, would be likely to pass under the influence of this railroad interest, and the immense commerce of this city would thus be subjected to a clique of capitalists interested in imposing the highest possible rates.

We regret, therefore, to see any desire on the part of the New York Central combination to control the Erie road. There is an abundance of traffic to make both roads profitable to the companies, with efficient management; and we can conceive of no satisfactory reason for attempting to blend both under one head. Should this policy be persisted in, it is deserving of consideration whether an urgent application should not be made to the Legislature for placing the plan under check. Not only our own interests would seem to demand this, but to even a greater extent the future development of the West requires it.

But while upon broad public grounds it iss we stated last week, impossible to approve of the consolidation of the two great trunk routes to the West under a monopoly, it is still less possible to sanction the gross abuses of power to which the Directors of the Erie Railroad Company have just made confession in the report made by the executive committee of the direction respecting new issues of obligations. The committee state that they have "authorised the creation, issue, and sale of $10,000,000 of convertible bonds;" and further that they "consented to the deposit of the bonds of the Boston, Hartford and Erie Railroad Company, issued under the agreement between that company and the Erie as collateral with several parties who loaned their property to aid in the construction of that valuable connection." The report makes no mention of what is generally understood to be the fact, that the committee have also agreed to aid, by the endorsement of bonds or otherwise, the construction of a branch road from Toledo to Akron, connecting the Michigan Southern with the Atlantic and Great Western road. The responsibilities of the company on account of this proposed road and the Boston, Hartford and Erie would amount, it is understood, to about $8,000,000. Thus it would appear that the executive committee have virtually increased the liabilities of the company to the extent of $18,000,000.

A word as to the reasons assigned for these extraordinary proceedings. It is urged that the company lacked funds for the payment of the March interest upon its 2d and 3d mortgage bonds and its sterling convertible bonds, amounting to about $500,000, and that this had to be provided for by a temporary loan from the Treasurer. This very discouraging condition of the finances was surely to be regarded as a most conclusive reason why the company should not incur any unnecessary

obligations. The road has to pay about $2,000,000 per annum interest upon its present funded and floating debt, and falls short of one-half the amount required for the half-yearly payment; and yet the managers assign this as a reason in favor of incurring new liabilities requiring $1,250,000 additional interest, the larger half of which the company engages to pay, while the remainder it guarantees. Such management appears to us the direct road to bankruptcy. The committee give as the principal reason for the issue of the $10,000,000 of convertible bonds, that the road needs storehouses and an elevator at the Long Dock, as an offset to the depot of the Hudson River Road in St. John's Park, the estimated cost of which is $1,300,000; that the road needs 17,000 tons of iron rails and 8,000 tons of steel rails, costing $2,435,000; that the Delaware Division requires to be double tracked at a cost of $2,790,000, and that the rolling stock equipment needs an addition of 50 locomotives, 500 cars and 300 coal dumps, costing together $1,357,500; other items of expenditure are also specified, carrying up the total outlay to $8,757,000. A considerable portion of this proposed outlay comes under the head of repairs and the replacement of worn out equipments; which of course is to be regarded as necessary; a larger portion, however, is due to the engagements made with the Boston, Hartford and Erie and the Michigan Southern companies and to new construction account. Hence the position of the Erie road, if we are to believe this showing of the executive committee, is such that it not only cannot pay its interest without borrowing, but also has to borrow about $3,000,000 for making good the wear and tear of road and equipment. It is now about two years since it had to borrow $3,000,000 on open loan from Mr. Drew under similar circumstances. Hence it would seem that the road is running at a heavy annual loss, and unless better managed must inevitably ultimately go into bankruptcy. And it is under such a condition of its finances that the managers undertake large new enterprises, and lend the credit of the company to support corporations whose securities cannot be negotiated.

But it is generally thought that there is good ground for suspecting that the authorization of $10,000,000 of new bonds has a purpose ulterior to the objects stated by the committee. The Directors are aware that Mr. Vanderbilt will strongly contest the next election; and it may have appeared to them a very desirable thing that they should have at their disposal $10,000,000 of bonds convertible into common stock for election purposes. The committee are silent as to the terms upon which the bonds have been sold, and the parties who have taken them. There can be no doubt, however, the securities were taken by the Directors or their friends; and it is generally believed that the

larger portion have been already converted into stock; which the holders can either retain for election purposes, or sell at high prices to the combination who have engaged to place Mr. Vanderbilt in the control of the company; so that whatever may have been the motive of the issue, the fact is that it gives the Directors one of two important advantages. This may be shrewd strategy; but what is it in respect to fiduciary morality and honor?

Doubt has been expressed in some quarters as to the authority of the Directors to issue new stock. We see no reason, however, for supposing that they have not acted within the law. The company's charter does not fix the amount of stock issuable. The 9th section of the General Railroad Act of April 2, 1850, provides that "in case the capital stock of any company is found to be insufficient for constructing and operating its road," the Directors may call a meeting of the stockholders, and with the concurrence of a two-thirds vote of the entire proprietory, may increase the capital stock to any amount required. This course was free to the Erie Directors; but the openness of the proceeding and the probable difficulty of securing a two thirds vote for the purpose, appear to have induced them to resort to an indirect and secret issue, for which the law affords them the utmost facility. The 28th section of the act above quoted, authorizes companies "to borrow such sums of money as may be necessary for completing and finishing or operating their railroad, and to issue or dispose of their bonds for any amount so borrowed; * * * and *the Directors of the company* may confer on any holder of any bond issued for money, borrowed as aforesaid, *the right to convert the principal due or owing thereon into stock of said company*, at any time not exceeding ten years from the date of the bond, under such regulations as the Directors may see fit to adopt." Thus the law, with singular inconsistency, first denies to Directors the power to make a *direct* increase of stock except with the acquiescence of two-thirds in interest of the stockholders and then empowers them by an *indirect* method to increase the stock to any amount they may please. This is a very grave defect in the law; and its effect would seem to be to leave the Erie direction free to make any further issues of stock they may deem necessary for election or other purposes. The late issues of new stock, however, are manifestly in opposition to the *spirit* of the law. The bonds were issued and converted into stock almost on the same day; which was clearly a case of acting under cover of the 28th section of the act, to evade the wholesome restrictions imposed by the 9th section.

These extraordinary proceedings only show in clearer light the pressing necessity of legal restrictions on the powers of directors. As the law

now stands the stockholders—the real proprietors—have to entrust their property to the control of agents with almost unlimited powers. The directors hold office for one year, and during that period have unrestricted power to manage affairs so as to produce extreme fluctuations in the price of the shares for speculative operations, in which the chances are all in their favor; and as such fluctuations are more easily produced by bad and reckless management than by a conservative administration of affairs there is the strongest possible temptation to take that course. That directors are not above such temptations, we have but too plain evidence in the history, past and present, of the Erie Company. It is notorious that within the last few years some of those in control of that company have made millions of dollars by this maladministration of trusts; and that all this has been done at the expense of the company is patent from the fact that one of the finest railroad properties in the country has gradually descended to the verge of bankruptcy, while most others have been rising to a steady dividend-paying position. How long are the interests of stockholders to be placed at the mercy of unprincipled speculative directors?

TRADE OF GREAT BRITAIN AND THE UNITED STATES IN 1865-'66-'67.

COTTON, BREADSTUFFS, PROVISIONS, TOBACCO, ETC.

The trade returns of imports and exports for 1867 have lately been published by authority in England, and they contain many particulars of interest to this country. They indicate, however, one important fact, namely that, owing to the high duties and the disordered state of the country, both financially and politically, our trade has materially fallen off. It is still, however, large, and the reduced value of many of the articles we import accounts, in some measure, for the diminished value of the exports; but, at the same time, there has also been, in many instances, a falling off in the quantities of goods exported. The declared value of the exports of British and Irish produce and manufactures to the United States in each of the last three years was as follows:

	1865.	1866.	1867.
Ports on the Atlantic—Northern	£20,339,299	£26,277,186	£19,548,003
" " —Southern	390,214	1,420,602	1,302,77
Ports on Pacific	498,443	801,726	971,00
Total	£21,227,956	£28,499,514	£21,821,786

The following are the particulars of those imports, so far as quantities are concerned:

	1865.	1866.	1867.
Alkali, cwts	1,125,472	1,783,243	1,463,491
Beer and ale, bbls	11,821	16,642	19,853
Coals, tons	197,401	134,113	123,392

Cotton Manufactures—			
Piece goods, yards	122,383,811	114,744,971	88 488,362
Thread, lbs	863,362	1,531,342	1,404,430
Earthenware and porcelain, pkgs	74,968	122,519	101,642
Haberdashery and millinery (value)	£937,912	1,121,889	850,907
Hardwares and Cutlery—			
Knives, forks, &c. (value)	£179,956	312,581	234,390
Anvils, vices, &c (value)	£96,861	109,584	101,746
Manufactures of German silver, &c (value)	£362,194	731,860	498,399
Linen Manufactures—			
Piece goods, yards	112,092,773	119,442,507	84,753,038
Thread, lbs	1,483,794	1,984,092	1,363,139
Metals—			
Iron—Pig, &c., tons	67,884	98,700	119,457
Bar, &c., tons	27,244	63,147	45,616
Railroad, tons	56,542	105,248	165,215
Castings, tons	224	1,564	1,190
Hoops, sheets and boiler plates, tons	10,076	30 671	29,693
Wrought, tons	8,153	11,099	6,979
Steel Unwrought, tons	11,405	21,057	19,025
Copper, wrought, cwts	9,997	9,599	3,641
Lead, pig, &c , tons	8,279	8,2[illegible]6	7,180
Tin plates, cwts	845,263	1,076,778	1,060,224
Oil seed, galls	490,916	2,830 697	1,3[illegible]4,949
Salt, tons	139,840	161,277	164,295
Silk Manufactures—			
Broad piece goods, &c., yards	374,511	674,344	342,312
Handkerchiefs, scarfs, &c., yards	3,135	6,225	2,751
Ribbons, of silk only, lbs	32,429	27,153	15,058
Other articles of silk (value)	£130,311	99,787	45,163
do mixed with other materials (value)	£41,478	85,687	77,178
Spirits, British, galls	133,825	147,843	95,512
Wool, lbs	352,232	180,640	17,072
Woolen and Worsted Manufactures—			
Cloths of all kinds, yards	3,319,426	5,154,208	3,292,239
Carpets and druggets, yards	2,207,590	4,502,323	3,678,184
Shawls, rugs, &c., number	115,162	164,889	112,628
Worsted stuffs of wool only, and of wool mixed with other material yards	88,471,822	75,360,409	50,431,869

COTTON.

The total imports of cotton into Great Britain during 1867 amounted to 11,272,651 cwt., of which 4,715,733 cwt. were from this country, and 4,449,259 cwt. from India. As regards the imports from the United States there has been a slight increase; but from India they have fallen off to the extent of about 1,000,000 cwt. The recent advance in the value of cotton at Liverpool has, however, had a beneficial effect in several quarters; inasmuch as cotton, the cultivation of which was likely to have been curtailed, is now being planted on a more extensive scale than had at one time been anticipated. The following figures show the particulars of the imports of cotton into the United Kingdom in 1865, 1866 and 1867:

	1865. cwt.	1866. cwt.	1867. cwt.
From United States	1,212,790	4,643,370	4,715,733
Bahamas and Bermuda	153,607	7,515	10,623
Mexico	327,365	3,145	22
Brazil	494,671	611,808	628,761
Turkey	223,133	92,926	57,024
Egypt	1,578,912	1,055,900	1,127,541
British India	3,981,675	5,493,770	4,449,259
China	320,141	52,120	4,707
Other countries	431,655	335,249	278,981
Total	8,731,949	12,295,803	11,272,651

As regards the exports of raw cotton the following are the particulars:

	1865.	1866.	1867.
To Russia.......cwts.	276,238	380,374	427,254
Prussia	60,067	81,195	195,183
Hanover	15,111	5,618	4,108
Hanse Towns	714,600	866,349	770,491
Holland	431,172	544,700	561,919
Other Countries	1,207,356	1,594,553	1,221,638
Total	2,701,544	3,472,789	3,130,593

BREADSTUFFS.

The high prices current for wheat in Great Britain last year, attracted large supplies of produce at British ports, but owing to the almost complete exhaustion of old stocks, and to the fact that the greater proportion of our foreign supplies as they were received, went into consumption, very little effect was produced on prices. The decline which has taken place from the highest point is very trifling, and it seems clear that wheat will remain dear during the whole of the present season. In France, wheat commands a still higher price than in Great Britain, fine wheat being quoted at Nantes, at 84s., and fine red do. at 80s. per quarter of 480 lbs. The following are the details of the imports of cereals into Great Britain during 1865, 1866 and 1867.

WHEAT.

	1865.	1866.	1867.
From Russia	9,093,879	8,937,199	14,025,236
Denmark	641,273	506,236	418,012
Prussia	5,403,914	4,401,409	5,574,263
Schleswig, Holstein and Lauenburg	254,159	187,938	127,222
Mechlenburg	647,685	733,571	651,884
Hanse Towns	486,069	878,912	700,935
France	2,252,873	3,473,130	597,405
Turkey, Wallachia, and Moldavia	574,185	528,433	2,446,638
Egypt	10,063	33,831	1,451,774
United States	1,177,618	635,239	4,188,013
British North America	306,765	8,789	683,127
Other Countries	1,114,480	2,831,642	3,783,060
Total	20,962,963	23,156,329	34,645,56

FLOUR.

	1865.	1866.	1867.
From Hanse Towns.......cwts.	247,796	347,012	444,710
France	3,044,823	3,640,320	1,234,742
United States	256,769	280,792	722,976
British North America	177,353	40,650	121,503
Other Countries	177,730	663,506	1,069,038
Total	3,904,471	4,972,280	3,592,969
Indian corn	7,096,033	14,322,863	8,540,429

The following were the exports of colonial and foreign wheat and flour:

	1865.	1866.	1867.
Wheat.......qrs.	27,124	46,813	225,590
Flour.......cwt.	21,072	18,365	16,861

TOBACCO.

The imports, exports and consumption of tobacco are shown in the following statement:

IMPORT.

	1865.	1866.	1867.
Stemmed.......lbs	20,741,403	19,778,432	20,451,816
Unstemmed	45,343,454	34,596,365	37,134,471
Manufactured and snuff	2,660,682	3,171,907	3,798,999

CONSUMPTION.

Stemmed .... lbs.	12,190,629	14,176.790	18,295,158
Unstemmed	26,165,576	25,934,725	21,819,2[illegible]4
Manufactured and snuff	828,157	881,399	939,230

EXPORTS.

Stemmed .... lbs.	324.533	583,214	814,624
Unstemmed	16,077,976	17,975,795	16,162,231
Manufactured and snuff	1,547,543	2,065,152	2,2[illegible]5,3[illegible]8

SHIPPING.

The following figures show the number of United States vessels entered inwards and cleared outwards, at British ports, in each of the last three years:

	1865.		1866.		1867.	
	No	Tons.	No.	Tons.	No.	Tons.
Entered	343	362,760	408	431,103	439	455,197
Cleared	394	397,017	507	513,614	517	514,963

—while the following figures show the number of vessels of all nations, entered inwards and cleared outwards, at British, from and to United States ports:

	1865.		1866.		1867.	
	No.	Tons.	No.	Tons.	No.	Tons.
Entered	671	7[illegible]8,399	1,517	1,394,179	1,538	1,4[illegible]7,356
Cleared	1,048	1,141,061	1,437	1,512,908	1,585	1,602,810

UNDERGROUND RAILWAY FOR NEW YORK.

The intolerable obstructions to free transit in the city of New York have become, it would seem, an inseperable condition of our existence. In summer time a large part of every day is marked in the more public thoroughfares by almost impassiable blockades; and in winter a cart or other vehicle will often require hours to make a distance of a mile. The personal annoyance thus experienced by any citizen is, however, of little importance compared with the loss which is sure to result to our commercial interests. If more time is required to carry freight across the city than is consumed by a train of cars in coming from Philadelphia, Albany or Springfield, it is easy to perceive that trade must find some other entrepôt, or force a channel for itself through the streets. Even now the evil is too great for endurance, and yet we are wont to consider these but the infant days of our city. At present our commerce is bounded by the great lakes and the Mississippi River. Many look forward with pardonable pride to the day when, through the completion of the Pacific Railroad and a change in the course of the Eastern trade, the worlds exchanges will be settled at New York instead of London, Some may consider this an enthusiasts dream, but all feel that if we do not obstruct by artificial means the channels leading to and passing through our city, our present business necessities are as nothing compared with the wants of the future. Our part in the working out of this result

is simply to furnish the West with cheap transportation, and remove the obstructions to rapid and economical transit through our city.

For many years the Legislature of this State has been entertained with plans for a railroad in Broadway. It did seem foolish to devise routes and projects to divert travel off from that thoroughfare when everybody desiring to go up and down the town, naturally sought to do so by that street. Accordingly, for fifteen years past there has been hardly a session of the Legislature in which the proposition of a Broadway railroad was not introduced, carried to a certain stage of maturity, and finally defeated. A bill, however, did pass the Legislature in 1863 authorizing the enterprise, but failed to receive the approval of the Governor. The apparent incongruity existed, that while travel sought Broadway to an extent warranting the employment of railroad facilities, still a railway in that thoroughfare would effectually destroy it for the purposes which made it a desirable route. Hence everybody has at length agreed that vital considerations exist against the laying down of a track in that street, and it is almost certain that the project will not be soon if ever again entertained by a legislature.

Nevertheless if travel seeks Broadway, inventors must devise means for its accommodation. There are several modes proposed; the two principle are a road constructed on pillars, and a subteranean causeway. The proposition which was entertained by the Legislature last year, contemplated the erec tion of cast iron pillars, with sides projecting sufficiently for the location of a track. A road on this plan is now about to be tried on Greenwich street. There is another enterprise now before the legislature which is a modification of this, and which contemplates the erection of iron colums at each curbstone with cross-beams. The hight of these columns to be fifteen feet, and the material to be corrugated iron, which is declared to possess immense strength and tennacity. The speed would be about double that of the horse car.

This plan might accommodate the passenger traffic, but the transportation of freight is of vastly more importance, and we apprehend that the elevated railway would never be regarded as meeting that requirement. Another plan is that which proposes the opening of a route somewhere west of Broadway, through buildings, the entire length of the island. After demolishing and removing the buildings, a road, or rather three tiers of roads, could be constructed; a basement-road, for rapid transit of freight; a surface-road, for way passengers, and an elevated road for passengers going longer distances. Such a route, communicating with all our important railroads and ferries, would seem to accomplish the desired object Still there are objections which ought to be obviated, before the undertaking should be authorised.

To place a railroad in Broadway, or at least very near it to have it a freight as well as a passenger road, and yet to have Broadway as eligible for its present occupation as it has ever been, appear to be the necessary conditions of the problem; short of this the work is incomplete; if this be effected there is nothing more needed. It is certainly desirable, and in fact necessary, to keep a railroad off from Broadway. The street is wanted for an immense number of purposes for our merchants, for our gala days, and by our citizens for a promenade. Its occupation by iron tracks would spoil it for all these, and almost revolutionise the habits of our people. Besides it would not meet the necessities of the case unless the entire street were given up to that purpose. So, too, surface railroads parallel to Broadway are insufficient, and those that we have, do not make any perceptible difference in the crowd daily thronging that national highway. To our mind the tunnel is the only apparently feasible method to meet the requirement. It has succeeded in London, as is well known, but it has thus far not met with favor at Albany. A bill to authorize such an enterprise was reported against in the Senate in 1864. The next year one passed both Houses, but Governor Fenton withheld his signature. In 1866 three projects were introduced, but did not get through the Senate. In 1867 there was equal ill success. This year the majority of the Senate committee has reported in its favor, but at the moment of writing we do not know the features of the bill thus introduced.

There are three general propositions—tunnels of iron, tunnels of stone, and a thorough excavation of the street. It is hardly probable that a mere tunnel would give satisfaction. It would most likely be close, dark, ill-ventilated and repulsive. And hence we rather incline to the plan which proposes the excavation of an entire street for the purpose of creating a new thoroughfare under the present street. The sidewalks and roadway would be replaced in groined arches of solid masonry, springing from heavy iron columns; and upon it placed a road-bed of dry sand, prepared to receive a pavement which will never be disturbed for any purpose whatever till worn out.

This subterranean street would also have its sidewalks for street passengers, and four tracks of railroad—the outer ones for way transit and the interior for through freight and passengers. Communicating with the Harlem and Hudson River railroads, and not remotely with the Erie by means of a bridge across the Hudson at Washington Heights, those thoroughfares would be extended through the heart of the city to the Battery, so that it would be practicable to set down at Bowling Green a car of milk from Dutchess County or a load of wheat from Chicago or tea from San Francisco.

It is useless to discourse about damages to property, for the damages

if any, would be as limited as they could be underany plan; and as a compensation every building would have two "first-floors," one for the upper and one for the lower street. It has been estimated that the expense of this enterprise would be about two million of dollars to the mile

We are not, however, committed to any one plan, but ask only for the surest and the best. The obstructions now existing to free transit of goods over our city, especially in bad weather, constitute a tax upon business which cannot be afforded. Steamship lines and long railways are about to add to our commerce, and we must have a means to accomodate it through the very heart of our city. Some one of the tunnel projects would accommodate it, we are confident, whereas it cannot well find avenues of transportation above ground.

A PLEA FOR OUR FOREIGN COMMERCE.

Nearly every branch of industry in the United States is, at the present moment, suffering more or less from depression. The withdrawal of the stimulus temporarily imparted to production and manufactures by the war; the unsettled condition—now long protracted—of the Southern States; and the redundancy of the national currency, have combined with other causes to impair confidence and to paralyze enterprise. As a consequence, complaints are heard on every hand, and many and varied applications are pressed upon Congress for remedial legislation. It does not come within our purpose, at this time, to consider the ground of the complaints made, or the character of the remedies proposed, so far as these may have reference to the business of the country at large. We shall confine ourselves to one department of American industry, which, indeed, has this in common with every other, that it is suffering, and that it requires relief; but neither in the causes which have led to its depression, nor in the degree of that depression, nor, consequently, in the measures necessary to its restoration, does it furnish, as we shall attempt to show, any analogy with the rest. The decline of our foreign commerce during the last few years has no parallel in the commercial history of this country, or, perhaps, of any other, except in the period of its decadence; and we are urged by every consideration of public spirit and of patriotism carefully to inquire into all the circumstances of the case, and to consider what is involved in them.

Our subject naturally divides itself into three parts—the present condition of our foreign commerce, the causes which have led to this condition, and the measures calculated to bring relief.

It is of the first importance that we reach a definite and precise understanding of the condition in which our foreign commerce now is, and especially as compared with what it has been in previous years. This commerce is of course represented by the tonnage employed in it, and embraces in its scope the enterprise of the shipbuilder, the ship-owner, the importer, the exporter, and the various other persons directly and indirectly affected by the activities of foreign trade.

The total tonnage of the United States on the 30th of June, 1867, is given by the Register of the Treasury Department at 3,868,615 tons. The total reported on the 30th of June, 1861, was 5,539,813 tons, which was the highest point ever attained by us. The decline for the six years thus indicated is 1,671,198 tons, or about thirty per cent. This statement, however, fails to convey the right impression on the subject, because the figures include the tonnage employed in the inland and coastwise trade of the country, and this has suffered much less severely than the foreign. We will deduct, therefore, what is called the enrolled and licensed tonnage; we will deduct, also, to save figures and to simplify our tables, the registered steam tonnage, which has never yet reached two hundred thousand tons, and we will confine ourselves to sailing vessels registered for and engaged in foreign commerce.

The tonnage of these was in 1867	1,178,715
" " " " 1861	2,540,020
The difference being	1,361,305

which shows a loss of a little more than fifty per cent. But even this does not adequately illustrate the extent of the decline. Since the 30th of June, 1864, a new method of measuring vessels has been in force in the United States, and many spaces are now included in the measurement, which before were not taken into the account. The proportion between the new system and the old changes with almost every difference of model, and it is difficult to reach a satisfactory estimate in reference to it; the authorities of the department think that from ten to fifteen per cent. would cover it. If we subtract only ten per cent. from the tonnage of 1867, to bring it to the same terms with that of 1861, we find that during the interval the absolute decline in the foreign tonnage of the country has been fifty-eight per cent., or one and a half millions of tons.

Let us examine this state of things in another aspect. From almost the beginning of our history as a nation our traffic upon the sea has been steadily increasing, with occasional reverses, as between 1811 and 1814, and 1818 and 1825. Even during the period of the last war with Great Britain our foreign tonnage fell off only twelve and a half per cent., although it should be said that during the two years previous to that war

it fell off twenty-two per cent. We have prepared the following table for the purpose of indicating the changes which have taken place in the registered sail tonnage of the country for the eight years from 1789 to 1897, and from 1797, by decades, to 1867:

Year.	Reg'd Sail Tonnage.	Change.		Rate of Change.
1789	123,893	....	....	....
1797	597,777	increase in 8 years	473,884	or 384½ per cent.
1807	848,307	increase in 10 years	250,530	or 42 per cent.
1817	800,725	decrease in 10 years	47,582	or 5½ per cent.
1827	747,170	decrease in 10 years	53,555	or 6½ per cent.
1837	809,843	increase in 10 years	62,173	or 8⅓ per cent.
1847	1,235,682	increase in 10 years	426,839	or 52⅔ per cent.
1857	2,377,094	increase in 10 years	1,141,412	or 92⅓ per cent.
1867	1,178,715	decrease in 10 years	1,198,379	or 50 per cent.

This table shows an average gain of eighty-one per cent. for the periods given, including the remarkable growth which took place between 1789 and 1797, when, in consequence of the wars then prevailing among the maritime powers of Europe, our foreign tonnage increased three hundred eighty-four and a half per cent., and including also the decades between 1807 and 1827, when there was a decrease of five and a half and six and a half per cent. respectively. As the period from 1789 to 1797 may be considered exceptional, let us refer to the growth of our foreign tonnage during the three decades between 1827 and 1857; the first of these shows an increase of only eight and a third per cent., and yet the average of the three is fifty-one per cent. In looking forward in 1857 through the coming ten years, it would not have been thought extravagant to anticipate an increase equal to the average of the previous thirty years. What would any of us have then said had it been predicted that in 1867 our foreign commerce would show for the last ten years not a gain of fifty-one per cent., but a loss of fifty per cent.? Let us see how much this difference really is, between what in 1857 would not have been an unreasonable anticipation and the actual truth:

In 1857 our foreign tonnage was	2,377,094
Add 51 per cent. for the average growth per decade from 1827 to 1857	1,212,318
Our tonnage might have been expected to reach in 1867	3,589,412
Our actual tonnage in 1867 was	1,178,715
Showing a difference of	2,410,697

or sixty-seven per cent., and leaving our tonnage in 1867 just one-third o what in 1857 we should have been justified, by past experience, in estimating that it would be. In these last calculations we make no allowance whatever for the new system of admeasurement.

These are the figures, and they need no comment. They are disheartening enough; but they must be looked at and understood in all their

significance, if we would endeavor to reach a remedy. To the same end it is necessary that we should carefully consider the causes which have led to the state of things now presented.

And here it should be candidly stated at the outset that during the last year or two the shipping interest has everywhere been somewhat depressed. Mr. Wells, in his report for 1867, says: "Labor and material entering into the cost of ships are lower to-day in Great Britain and throughout Europe than at any time for twenty years previous; and yet there are few or no ships in these countries now in the course of construction, while the employment of many that are already constructed is greatly restricted. In fact, the registered tonnage of the British empire ceased to record a progressive increase for the first time in the year 1866, the total registered tonnage (ships and steamers) being 7,306,808 tons for 1866, as compared with 7,322,604 for 1865; while the decrease in the registered tonnage of sailing vessels alone was nearly seven per cent." From various causes, the building of ships of all descriptions has been greatly stimulated during the last twenty years, and at the present moment the tonnage of the globe is undoubtedly in excess of the commercial demand; this of course would give temporary dulness to the entire shipping interest. Then, as Mr. Wells remarks in the same connection as above quoted, there have been influences, peculiar in their operation to the United States. "Previous to 1861 a maritime tonnage was required, adequate for a transatlantic movement of about three million bales of cotton per annum; but from 1862 to 1866 this immense business was practically annihilated, and since then has been but partially restored. A similar experience has also characterized the extensive coasting trade that formerly was requisite for the transaction of the business between the northern and southern sections of the country. The repeal of the Reciprocity treaty, and the imposition of all but prohibitory duties on the importation of foreign wool—formerly imported to the extent of seventy million pounds per annum—have also contributed to lessen the demand for the employment of vessels."

But while, in common with other nations, we are feeling, in our tonnage, the usual and inevitable consequences of the excess of supply over demand, it is quite evident that we are suffering from something far more serious than this. The relations of supply and demand soon adjust themselves healthfully; but it is more than doubtful whether, when the demand for shipping shall have fully overtaken the supply, everything else remaining unchanged with us, American shipping will be able to avail itself to any considerable extent of the improved condition of affairs.

The disastrous effects of the war of the rebellion upon our foreign trade claim our special attention, and they can hardly be over-stated. During

the continuance of the war every branch of northern industry upon the land was promoted and strengthened. Production and manufactures prospered to an unwonted degree, and the tendency of every step in our national legislation was to stimulate that prosperity. It will be sufficient to refer to a single State to illustrate this. An abstract of the census of Massachusetts for the State fiscal years 1854–5 and 1864–5 respectively, prepared by Mr. E. B. Elliott, shows that during the latter year, as compared with the former, the production of leather, boots and shoes had increased nearly fifty per cent.; of cotton goods and calicoes had more than doubled; of paper had more than doubled; of clothing had nearly doubled, and of woolen goods had increased fourfold. Contrast, now, this statement with the statistics of the tonnage of Massachusetts for the same years; on the 30th of June, 1855, the total tonnage of this Commonwealth, foreign and domestic, was 979,205 tons; on the 30th of June, 1865, it was 248,836 tons, or about one-quarter of what it was ten years previously. Startling as the difference is, which is thus developed, it is not difficult to account for it when we recall the experiences of the war. Not only did the shipping interest not participate in the stimulus received by other branches of enterprise, but it was exposed to the attack of the enemy, as all the others were not; indeed, it was the vulnerable point of the nation, and how much it suffered the figures we have quoted show only too clearly. What the raid into Pennsylvania and the burning of Chambersburg was, in one memorable instance, was, in effect, repeated upon every sea traversed by our merchant vessels. They were soon driven from the ocean; the only alternative for those that escaped the treacherous pirate was sale, either absolute or pro forma, to a foreign owner, whose flag could afford protection while ours could not. The disappearance of our shipping, therefore, need be no mystery to any of us.

But why, with the return of peace, did not this interest begin to rally again? The answer is obvious. The war left us with a depreciated currency, high prices of materials and labor, and a burdensome system of taxation. These evils still continue, and in a modified form may be expected to continue for some time to come. They affect all branches of industry among us; but all, except the shipping interest, have reserved strength upon which to fall back, while it alone has to meet the encounter in an utterly prostrate condition. Moreover, our ships have to compete in the maritime centres of the globe with ships built on a gold basis, at comparatively low cost of labor and materials, and under exemption from all taxes on construction, outfit, repairs and stores. Our wool growers, our manufacturers, our iron masters, with heavy protective duties, find it difficult upon their own soil, under existing circumstances, to compete

with the industry of other nations. Is it strange, then, that our ship-owners find it altogether impossible, in the absence of friendly legislation, to compete with the foreign owner, as formerly, on the voyage, say from Quebec or St. John to Liverpool, or from Calcutta or Hong Kong to London? Nor is it not only on the long and distant voyages that we find ourselves excluded from competition; our participation in the traffic upon our northeastern coast and upon our western lakes is diminishing year by year, and must continue to do so, as things now are. In 1860 our vessels absorbed sixty-eight per cent. of the carrying trade between the United States and British North America; in 1867 they had only forty-seven per cent., and the trade itself had become greatly reduced in the interval. The arrivals and departures at and from United States ports in the trade with British North America were, in 1860, 8,400,316 tons, and in 1867, 6,662,997 tons, showing a decline of upwards of twenty per cent., and in the trade thus diminished our participation has fallen off more than twenty per cent.

There is another consideration, however, of very considerable importance, to which we have not yet adverted. Although prior to the civil war, our foreign tonnage increased from year to year, and, under canvass, more than held its own in its rivalry with that of all other nations, we were, and for some time had been steadily losing ground, especially in the trade of the North Atlantic, by our comparative indifference to ocean steam navigation. The latest English statistics on this subject, on which we can place our hands at the moment, are for 1862, and give the strictly foreign steam tonnage for that year at 328,310 tons. Our foreign steam tonnage in the United States for the same year, including that employed in the trade with British America was 113,998 tons. The British steam tonnage must by this time have increased to more than half a million, while ours, in 1867, had reached only 175,520 tons. As soon as it became evident, in 1837 and 1838, that the ocean was very soon to be navigated principally by steam, the British Government entered upon a policy for the creation and maintenance of steamship companies, which it has pursued without deviation for thirty years. The principal companies thus brought into existence are known as the Cunard Company, with which the first contract was made in 1838, the West India Company in 1840, and the Peninsula and Oriental Company in 1845; these combined fleets now comprise one hundred and nine steamers, with a measurement of nearly two hundred thousand tons, and with well trained crews of more than twelve thousand men, exceeding in number, as has been said in the *Boston Journal*, all the men in the naval service of the United States, and ready at any moment to be enlisted in the work of sweeping the commerce of their foes from the deep. It has cost from three to four millions annu-

ally to sustain these royal mail lines, or about one fourth of the annual expenditure upon our navy before the war. But what ample returns have been made to the Government for this outlay. The mails have been carried regularly and speedily to all the British Colonies, and to all the chief cities in the commercial world; and the exports of British manufacturers have been multiplied many times.

The policy of the French Government has been equally broad and far-reaching. Determined not to be left behind in the race by its ally across the Channel, it has surpassed it in the liberality of its subsidies, and is reaping a large reward not only in the prestige which the French flag is winning on the Atlantic, the Mediterranean and the Indian Ocean, but also in an important increase to French trade and commerce. The Emperor has perfectly well understood, that with capital as cheap as it is in France, even his subjects could not establish steamship lines to sail by the side of steamers subsidized by other governments unless they were encouraged by his own; and, in making the grants, he has thought it wise to exceed those conferred on the companies with whom he would have French merchants compete. As a consequence of this, we are told that the Peninsular and Oriental Company has been obliged recently to ask for an increase of its subsidy, and that this has been doubled to enable it to maintain itself in competition with the French; the West India Company also reports that it is suffering from the same source; how the Cunard Company has had to yield the palm to the General Transatlantic Company, which occupies the route between New York and Brest, we all know.

But what has been the policy at Washington in this regard? After the British lines had become well established, there was a disposition manifested by Congress to assist in bringing American steam companies into existence; and in 1847 the *Washington* and the *Hermann* were placed on the New York and Bremen line, calling at Southampton and carrying the mails. In 1848 the line to Havre was established with the *Franklin* and *Humboldt*; and in the same year the service between New York and San Francisco *via* Panama, was organized under governmental encouragement. But it was in connection with the Collins line, so called, that our Government made the most vigorous and the only adequate effort to sustain ocean steamship enterprise in the European trade under the American flag. The Collins steamers were the finest which had then been built, and for a time they seemed to promise all that the country could desire. But the means of the company were insufficient from the very first; this led to heavy outlays for interest and commissions; it was at the same time extravagantly managed, and thus, although its receipts were large they were all absorbed in the expenditure, and yet were not enough. The subsidy was more than liberal, but this only made the company the less

prudent in the conduct of its affairs, and really proved a snare to it. That a subsidy will not permanently help a company deficient in ability or honesty, was demonstrated in the history of the parties who undertook to connect Galway by steam with the United States, and who failed so lamentably in the construction of their vessels, in the management of them, and in all their engagements with the British Government and with the public. Thus it was with the Collins line; its administration was defective, and its subsidy could not save it. Two of its noble ships driven, as we cannot but believe, most recklessly amid fog and ice, foundered at sea; these disasters destroyed the confidence of the travelling community, impaired the ability of the company to fulfil its contract stipulations, and too soon, led to its utter bankruptcy. To err is human; and it is not necessary to criticize with undue severity, the mistakes made by Mr. Collins, who was certainly enterprising, public spirited, and in many respects deserving of a better fate. We have never being among those who have been in the habit of blaming the Government for witholding further payments, after the loss of these steamers; we do not see how any more money could properly have been paid, except with new guarantees and under more stringent restrictions. But, as we apprehend, Congress made a great mistake, when the Company failed, in not immediately appointing a special committee to inquire into all the causes of its embarrassment, and particularly into all the circumstances, so far as known, of the loss of the *Arctic* and the *Pacific*. Such a committee might have reported with a plan for the resuscitation of the Collins Company upon a more safe and conservative basis, or a project for the organization of an entirely new company which should profit by the misfortunes of its predecessor, and perform the service in the interest of the nation which it had undertaken, but had proved itself unable to carry out. Instead of all this, Congress gave up the whole subject in apparent disgust, and allowed this great interest to go by default. A general law was passed authorizing the Postmaster General to give the sea and inland postages accruing on the mails carried accross the Atlantic by American steamers, and the sea postages for similar service performed by foreign ships; under this arrangement the *Arago* and the *Fulton* ran between New York and Havre, and maintained themselves very creditably; and Mr. Vanderbilt placed some of his steamers on the same route. This was the the position of our Atlantic steam commerce when the rebellion broke out; the steamers first referred to were taken into the transport service, and the entire trade between the United States and Europe, the most valuable part of which had now become identified thoroughly with steam, was abandoned to the various foreign companies. The immense importations caused by the requirements of the Government and by the general activity of trade (as

well as by the necessities of the rebels, in connection with the ships calling at Halifax), loaded down all the steamers coming to the westward, giving their owners an opportunity to enrich themselves which they were not slow to improve. More lines were established, more and larger vessels were built, and the capabilities of the traffic, great as they were, were made the most of. How advantageous in every respect it would have been if there had been two or three first class steam lines under the American flag, traversing the ocean during this eventful period; such lines would to-day be in a condition almost if not altogether to sustain themselves, independently of the Government, as are some of the English companies, which have become rich by carrying the United States mails, and by transporting American passengers and property in years of almost unparallelled activity and enterprise. But we neglected to prepare ourselves for so rare an occasion, and now, although the trade of the Atlantic has been transferred almost entirely from canvas to steam, and although the steamship arrivals and departures between the United States and Europe have come to be almost daily, we have no participation whatever in the immense traffic; not one steamer of them all floats the stars and stripes at the quarter. This accounts largely for the decline of our foreign commerce, and explains the statement of the Commissioner of Internal Revenue, made in his Report for 1866, that "while in 1860, two-thirds of our imports, and more than two-thirds of our exports were carried in American bottoms, in 1866 nearly three-fourths of our imports and over three-fifths of our exports were carried in foreign bottoms." For this we have not the war to blame, for the decline in our trade on the Atlantic had begun to manifest itself before 1861; nor would our steam commerce, if we had had any, have suffered during the war, as did our sailing ships.

We pass now to enquire whether any remedies suggest themselves for the restoration of our foreign commerce, and to consider what these are.

The war is over, and the rebel cruisers have long since disappeared; but, as already intimated, the consequences of the war still continue in the condition of our currency, the advance of prices, and the multiplication and accumulation of taxes. While this state of things lasts, it were vain to hope for absolute and satisfactory relief to the shipping interest; and it is evident, that any legislation designed to restore this interest to its precise former position, with our currency as it now is, must be futile. It is useless to attempt by any artificial process to galvanize our commerce into life and activity, until the chief, underlying cause of its depression be removed. It was well said by Mr. Holton, of Milwaukee, at the National Commercial Convention lately held in Boston, "Why are your ships rotting at your wharves? It is because we are away from the rock-bottom on which the nations of the earth transact business. When we can get

back to the right basis, we shall again have free commercial intercourse with the world. We stand forty millions against nine hundred millions; and we cannot afford to live apart and alone." Some of our more intelligent shipbuilders take the same view. In a report made by Mr. Delmar, under the direction of the Secretary of the Treasury, we have direct testimony to this effect. Mr. Patten, of Bath, is represented as saying, "that drawbacks and remission of taxes and duties would doubtless afford a great relief to the shipbuilding interest, but not enough effectually to revive it. The price of labor was altogether too high to enable us to compete with the Provinces in shipbuilding." And Mr. Blunt, of New York, in a statement made by him, speaks to the same effect: "As the country reduces its debt, our currency will improve, taxation diminish, and prices fall so that we can begin to build, and then the good old days will come back.' This indicates the direction which all our efforts for relief should take; and it were well if the representatives of all the great interests now complaining of depression, would bear continually in mind that our currency must be brought back to the gold standard before we can hope to compete with any degree of success with the enterprise of specie paying communities. It is strange that the resolutions recently passed by the Legislature of Maine in reference to the shipping interest, made no allusion whatever to this vital point. Acts of Congress designed to meet simply the pressing, passing emergency, will be likely in the end to result in more harm than good. Any legislation which will properly meet the case, must be based upon principles sound in themselves and of general and permanent application. There are measures, however, which it would be wise to adopt under any circumstances, and with our currency restored to a healthful condition, and of these we will now speak.

One of these measures is, the remission of the foreign duty and the internal revenue tax upon the principal articles entering into the construction of vessels, and into their outfit and supply. We would urge this because it is the policy of Great Britain and of British North America, and no argument is needed to prove that if our citizens are to have a part in the carrying trade of the globe, they must possess the same advantages in the construction, outfitting and repairing of their ships which their chief rivals enjoy. It is not the mere fact of the taxation now imposed which prevents our merchants from ordering ships to be built, but the discrimination which this taxation creates against themselves, as compared with those who have had the benefit of the drawback. Before the war we had no internal tax, and the tariff duties were not oppressive; consequently, we could build our ships at as low a cost as other countries. This we cannot do again while we have to pay taxes from which they are relieved. We think, also, that apart from the consideration of what is done elsewhere, it

were a wise expediency for the government to foster and encourage the shipbuilding interest and the foreign carrying trade, by taking off all restrictions and disabilities involving outlay, and by giving it the freest scope for development. Our foreign shipping is employed outside of the limits of the United States; it ought to be treated, therefore, like any other kind of exportation, and everything which it requires to take away with it for its own purposes it ought to be able to obtain free of duty. This could not interfere prejudicially with other home interests; on the contrary, it would benefit them all, for it would increase the demand for the various articles which they are prepared to supply.

We would propose as a second remedy, a judicious system of subsidies, for bringing into existence an ocean steamship fleet. As we have seen, steam controls the trade of the Atlantic, and it will soon predominate on every other ocean. All the best routes are now occupied by the powerful steamship companies of Great Britain, France and the North Sea cities; these companies have possession, a strong point always, and most of them have accumulated capital which will enable them to maintain occupancy against all new comers, unless these shall be strongly supported, and they have also government subsidies to fall back upon. Who supposes that those insignificant vessels, the *Ville de Paris* and the *Pereire* would ever have been built, or that if possibly they had been built, they would have maintained their position for a single season against the Cunard line, unless the French Government had given substantial and liberal aid to the enterprise? And what inducement can there be to the American merchant or capitalist, to place steamers upon the ocean, with the inevitable prospect before him of opposition from old established and government-supported lines? Indeed he will not attempt it, as events have proved. But can the country afford to close its shipyards, and to give up the traffic of the seas to other nations? Are we ready to strike our flag as one of the maritime powers, and to shut ourselves up as a continental, self-contained nation like Brazil, Russia or China? Then must we falsify all our traditions; then have the generations before us altogether mistaken the sources of a nation's glory and strength. The demand for ocean steam commerce is made in the interest of the country, and of every part of it. This is not exclusively a seaboard question; any more than the scarcity or abundance of the crops is exclusively an inland or a western question. It is a question of public economy. The nation cannot afford to indirectly encourage foreign companies to build themselves up by the conveyance of our freight, by the transportation of our citizens, and by the performance of our mail service, when our own people are able, under favorable conditions, to do all this quite as well for themselves.

The history of the Collins line, to which we have made allusion, will

serve to indicate the dangers to be avoided in adopting a new scheme for steamship subsidies. Our future legislation on this subject, must be entirely different from anything we have yet had. A general plan should be worked out in sharp outline, its provisions should be carefully guarded, and it should be entrusted for its administration to the Postmaster-General with large powers. It should aim to establish companies upon routes where the commercial necessities are the strongest, and to stimulate, not to stifle, individual or corporate enterprise. It should embrace the chief Atlantic cities, and it should have reference to the export as well as the import trade of the country. It should carefully guard all details of construction, and should require the utmost vigilance in navigation, and the utmost prudence in general management. It should favor the attainment of good speed, but should not make high or the highest speed a prime object, for this was one of the most serious stumbling blocks in the way of Mr. Collins and his associates. Under some such legislation as this, it would not be long before Baltimore, Philadelphia, New York and Boston would establish each at least one line to some European port, and at the end of ten years these lines might be expected to become almost if not quite self-supporting.

Congress has already recognized the general principle, by subsidizing steamship companies in the trade with the Brazils, and with Japan and China; these companies have no direct competition to meet, and yet they needed assistance in order to establish themselves. Although it is in one sense no experiment to place steamers in the European trade, as it was in those instances, yet, the moral effect of our first unsuccessful efforts, the strength acquired by those who have availed themselves of opportunites neglected by us, and especially the policy pursued by foreign governments, render absolutely necessary, as a temporary measure at least, the intervention of our own government in a spirit of wisdom and liberality, in efforts to secure for our flag in steam commerce the position of honor which it so long and so proudly enjoyed before the ocean was vexed with paddles and with screws.

The only remaining remedy which we have to suggest for the restoration of our foreign commerce is the abrogation of that provision in our navigation laws which practically forbids American citizens to purchase vessels wherever they please. One would suppose that this would be accepted readily by every mind as the most natural and obvious course to pursue. It being conceded that our foreign tonnage has within a few years declined to the extent of nearly a million and a half of tons, when by the analogies of the past it might have been expected to increase by as much, one would imagine that every available facility for supplying this deficiency should be accepted and favored, and that every existing

hindrance to the acquisition of new tonnage should be condemned and removed. We cannot but think that Congress made a mistake when it refused to allow the return to American registry, when desired, of tonnage sold by our citizens during the war. By denying the privilege asked for it was intended to punish some whose loyalty, it was thought, had not been above suspicion. But the wisdom of any legislation is questionable which punishes the entire country in order to bring a penalty home to individuals. Especially would this seem the part of wisdom now that the cost of construction is enhanced so excessively in this country as compared with all other nations. But at present our laws forbid the application of this remedy, and they tell our citizens that they must buy American built ships, or they shall not buy any. The consequence is just what might be expected, our citizens have ceased to buy; and this will continue while these prohibitions remain in force, and while shipbuilding is more expensive in the United States than elsewhere; Mr. Fatten, of Bath, from whom we have once before quoted, says—"there is no demand for vessels, because the carrying trade is being done by other nations, who are free to buy their ships where they please." Messrs. Webb & Bell, of New York, confirm this: "merchants will not pay American builders more for vessels than they will pay foreign builders; and in the present state of the country we cannot compete with the latter." This is so self evident that it needs no elaboration. It is the boast of an English writer on commerce; "all the building yards and all the seamen of the world may be made subservient to the wants and purposes of our merchants and shipowners." Why should there be any hesitation to change our national policy so that American commerce may be placed in a similarly advantageous and commanding position? Such a change, however, is strenuously opposed, and by some with whom on such a question we cannot differ except with a considerable degree of self distrust. Let us carefully and candidly examine their objections.

It is urged that to permit our merchants to purchase ships in foreign countries would be to destroy completely what remains of the shipbuilding trade among ourselves. Certainly our shipbuilders cannot be much worse off than they now are; they admit that they cannot build in competition with foreign mechanics, and that consequently they have ceased to receive orders for construction. Many of them also admit that, with a remission of the duties which we have advocated above, the inequality will not be entirely overcome. We can hardly hope for the restoration of our finances to entire soundness for several years; and in the meantime, as we cannot compel our citizens to invest their money in American built ships for the sake of encouraging American shipbuilders, the number of merchants among us employing ships in the foreign trade will continually diminish,

and the shipbuilding interest, so far as it depends upon this trade, must continue to languish. It should be remembered not only that our ocean tonnage is disappearing, but that our commercial class, as a class, is disappearing also. Capital has been and is being diverted to other branches of enterprise; and it is for the interest of the whole nation, and particularly of the shipbuilders of the nation, that it should be brought back again by adequate inducements to the channels of commerce. Reconstruct the commercial class, and the shipyards will soon come into requisition. With a revival of our tonnage, will appear a revival of activity in them. There will be repairs to make; and circumstances will arise not unfrequently under which orders for construction will be given, even before the inequality of cost altogether ceases. While, therefore, it will, by the measure we propose, become possible to augment our tonnage, and especially effectively to promote our steam commerce, even in the present financial condition of the country, the tendency will also be to impart new life to a department of mechanical industry which is indispensable to the balanced and best welfare of the nation, but which cannot be made to prosper permanently under any forced or artificial system of appliances. It is well known that before the war American built ships could be sold in Liverpool and London at a profit to the seller; and it is allowed that in the future our mechanics will be able again to compete in the same way with British industry. If this be so, what occasion have our shipbuilders, or those speaking in their behalf, for fear in the event of our removing the restriction now under discussion? Is the question asked in turn, If this be so, what advantage will result to the American people from this removal? We reply, first, if the principle is sound in itself, it ought to be accepted at any time; second, it would make the restoration of our lost tonnage practicable at the present time to a degree not otherwise attainable; and, third, it would introduce an element of competition in the future, which, as always, would have a salutary effect upon both the cost and the character of construction. Our limits will not allow us to amplify these considerations.

But another objection, and one more difficult, perhaps, than any other to remove, is that which springs from strong and ardent national feeling. With many it is a matter of sentiment; they cannot, as they say, regard with satisfaction the prospective increase of our tonnage, if in any measure this is to be gained by the addition to it of vessels built in foreign yards and by foreign workmen. They regard their ships as emblems of their country's nationality, and they think, therefore, that these ought to be strictly the product of their country's industry. We respect the spirit of patriotism which prompts this impulse; but we cannot think that it is sound in reason. No objection is made on principle by our citizens to

embarking in a trans-Atlantic steamer built and owned abroad, or to loading it down with freight owned in America, or to entrusting to it the American mails and government despatches. Nor is any objection raised to the importation of materials and the employment of foreign born mechanics in putting these together, provided always that this be done in a shipyard situated on the hither side of an imaginary geographical line. Nor when, by standing and abandonment, or by the fortunes of war, a foreign vessel passes into the hands of our citizens, is there any consideration of national pride which prevents them from putting it to any purposes to which it may be suited. The frigate *Macedonian*, after her capture from the British, had as respectable a standing as any other vessel in our navy. General Grant evinced no hesitancy in employing as a despatch boat on the Potomac a captured blockade runner, which proved to be the fastest steamer in those waters. Where, then, should the exercise of this national predilection begin, and how much of substantial good ought we to be willing to sacrifice for it?

Let it not be forgotten, also, that we are not the only people who have an honest and reasonable pride to maintain in our mercantile and naval marine. The Emperor of the French, who cannot be charged with any want of regard for strong national sentiment when he desired to bring into existence an Atlantic steamship line which should cope with the great English companies, did not consider that he compromised himself or his people in the slightest degree, by allowing the *Ville de Paris* and the *Pereire* to be built on the Clyde. He did not propose to grasp at a shadow at the risk of losing the substance; and who shall say that he made a mistake? Do not the performances of these vessels reflect credit upon the French nation, and, what is more important, bring advantage to French commerce equally with the *St. Laurent* and her consorts, which were built by Scotch artisans at *St. Nazaire*? Look, too, at England, with her sea songs, traditions and her naval heroes. She cannot be suspected of any want of sentiment in reference to the ocean, yet she has no scruples about buying our clipper ships, like the Red Jacket, or our steamers, like the Adriatic, when she can buy them on the right terms. It is true that in the debates in the House of Commons, in 1848, on the modification of the British Navigation Laws, Lord George Bentinck said that this was "simply a measure for the encouragement of the United States marine;" and Mr. Disraeli closed a characteristic speech, brilliant and sarcastic, by observing—"he would not sing Rule Britannia, for fear of distressing Mr. Cobden, but he did not think the House would encore Yankee Doodle. He could not share the responsibility of endangering that empire which extended beyond the Americas and the furthest Ind, which was foreshadowed by the genius of a Blake and consecrated by the blood of a Nelson—the empire

of the seas." Mr. Drummond declared "the measure to be the last of a series inculcated by the Manchester school, the end and intention of which were to discharge all British laborers and to employ foreign laborers in lieu of them, foreign sawyers instead of English sawyers, foreign shipwrights instead of English shipwrights, and so on through the whole catalogue of employments." To all this, which, in the light of what has since occurred, seems so absurd to us, how admirably did Sir Robert Peel reply. We can only quote a few of his words: "We must observe that on the occasion of every such infringement of what had been called in the debate 'fundamental principles,' there was precisely the same sort of outcry of ruin to the shipowner. In 1782, when they wished to admit Ireland to participation in the colonial trade, the shipowners loudly complained, and those of Liverpool, in a petition which they had addressed to that House, declared that if any such thing were permitted, Liverpool must inevitably be reduced to its original insignificance."

It is objected, once more, that what is sound policy for England, for example, may not be at all applicable to our own country. This is true; but the burden of proof rests upon those who object, to show why and wherein that which has worked so well in the interest of British commerce will not do the same in ours. There seems to be a disposition to follow England in some particulars of her navigation policy; why not in all? At the late National Commercial Convention in Boston, an able report was submitted by a committee and was unanimously adopted, wherein it was said:

> The decline of our commerce is an admitted fact, and must be obvious to all. As to the means by which it shall be restored, different opinions doubtless exist. Your Committee, however, assume that the legislation and policy of England, which, for nearly forty years, has been undeviatingly followed, with great advantage, not only by liberal encouragement to steam commerce, but by the remission of duties on all articles entering into the construction of her vessels of any class, and still further by allowing her vessels to be supplied with tea, coffee, sugar, and, indeed, all articles required on shipboard, by being taken out of bonded warehouse, duty free, while at the same time exactly the opposite policy has has been pursued by the government of the United States, should furnish us with a clear precedent in this matter.

We heartily concur in all this. But, we would ask why the English policy of granting steamship subsidies, and of remitting duties "should furnish us with a clear precedent in this matter;" while that part of the same system which encourages the capitalist to invest his money in tonnage, by giving him the privilege of buying it where he can buy it to the best advantage, is to be avoided as dangerous. It seems to us that this system should be adopted in its completeness, or not at all. We certainly should not admit foreign built vessels to American registry, while the American shipbuilder is burdened with disabilities of taxation from which the foreign mechanic is exempt. Nor should we concede to the American

shipbuilder the remission of duties and taxes, while the American merchant is prohibited from availing himself of any advantages which may offer from foreign competition. Nor, again, can we expect our citizens to embark their money to any extent in steamship lines, while the price of materials and supplies is increased by taxation, and so long as they are forbidden to contract for steamers wherever these can be built the cheapest and the best; and it would be doubtful economy on the part of Congress to vote them money to enable them to build and maintain steamers, while continuing to enfore existing limitations. We think it will be quite safe for us, with the example of England and France before us, to adopt all these measures, and to give them a fair trial; if they shall fail to work as well here as they have done on the other side of the Atlantic, it will be very easy to abandon them.

Our plea is in behalf of American commerce. Capital can take care of itself; and our mechanics, if the shipyards are closed, can employ themselves in other labor. But with our tonnage lost, our carrying trade transferred to other nations, our shipbuilders dispersed, and our inventive skill in marine construction absorbed in other pursuits, what becomes of our standing as a maritime power; and what will be our position, if we shall find ourselves engaged in war? Our naval prestige in the past has been attained by the help of our ocean commerce; and in the future it can be perpetuated only by the same means. Let us, then, in every proper way seek to build up and to strengthen this commerce on the lakes and on the ocean, in the interest of all our people, in all their varied relations as producers and as consumers, and in the interest of the national revenues and of the national renown.

SPECULATION—LEGITIMATE AND ILLEGITIMATE.

It is impossible to regard with satisfaction the general character of speculation in Wall street during the last five years, and which now, after the excitements of the war, has, as we have seen during late weeks, lost little of its extravagance. And yet it would be an error to condemn indiscriminately. There is a more or less common idea that all speculative transactions are a species of gambling, unwholesome in their effects and demoralizing to the spirit of commerce. This opinion appears to have been formed from observing only the excesses, and lacks the discrimination necessary to a sound judgment of the question. There is a speculation which is essentially legitimate, and the results of which are beneficial to the community at large. It would perhaps be difficult, in some cases, to say where such a movement ceases to be wholesome and

becomes illegitimate; but there are nevertheless certain broad distinctions between the two classes of operations.

Properly speaking, speculative transactions are purchases or sales made in anticipation of prospective changes of value. The changes may be due to a variety of ordinary causes; or they may be factitiously produced for the purposes of the operator. In the first case, we should regard the operations as legitimate; in the second, as a mischievous meddling with the regular course of affairs. It would be manifestly futile to declaim against operations based upon anticipated changes in the conditions of supply and demand; for men of foresight inevitably avail themselves of opportunities of profit which their sagacity and capital place within reach. The grain dealer, who from early information as to the prospects of the growing crops perceives that there is likely to be a short crop next harvest, buys up breadstuffs, to be held until comparative scarcity compels an advance in prices. The effect undoubtedly is to promote a rise in advance of the actual deficiency; but, at the same time, it tends to induce an early moderation of consumption, and to invite supplies from other sources, and the result is that, when the deficiency really comes, the rise in prices is much less extreme than it would have been otherwise. The merchant who foresees that an usually large supply of goods is likely toproduce a depreciation of the value of merchandise not only sells out his stock on hand, but also sells for future delivery, anticipating that the decline in values will enable him to cover his sales at a profit. This pressure to sell has the effect of putting down prices in anticipation of the actual occurrence of the increased supply; and in this way the producer or the importer are warned to curtail their supply, or to seek other markets for their goods. The transactions of both the grain dealer and the merchant are essentially speculative, the one being, in Wall street parlance, a "bull" and the other a "bear;" but it will not be for a moment pretended that their operations are otherwise than wholesome in their effects. Their transactions are doubtless productive of changes in prices; but the changes would as certainly occur without their intervention, and would be more sudden and extreme.

The same general principles apply also to transactions in securities. Here, however, values being more fluctuating, less easily ascertained and very much dependent upon a vague public opinion, there is a wider scope for operations, and operators are apt to incur unjustifiable risks. There is nevertheless, a clearly legitimate speculation in stocks. Whatever, for instance, affords good reason for anticipating an increase in the net earnings of a railroad is equally a a reason for buying its shares to be held for higher prices; and, *vice versa*, whatever tends to depre-

ciate the value of a given stock affords good ground for selling the stock "short," as the street phrase goes, *i. e.*, for future delivery. The advantage to the community at large may not be the same in this case as in speculation in commodities; but there can be no moral or economic objection to one availing himself, in this instance, of the advantage which his superior sagacity or knowledge affords.

It is, however, a matter of notoriety that there is much really wild and baseless speculation in stocks, which is positively injurious in its consequences; and it is important to trace out and distinctly define that class of operations. These excesses are due to the exaggeration of legitimate grounds for speculation, and to the creation of fictitious inducements. Wall street presents a concentration of men of ample capital, quick intelligence and possessing the best facilities for information on all matters influencing the value of securities. Anything affecting the value of a given stock thus becomes known almost simultaneously to all; and the result is an amount of operations in the same direction so large as to produce fluctuations in prices not warranted by the facts of the case. Let it be supposed, for instance, that, from a temporary increase of earnings, a given road is enabled to pay an extra dividend of 5 per cent. So soon as the prospect becomes known there is a general rush for the stock; the price advances, and the hope of being able to sell out at a profit while the price is so steadily rising keeps up the buying until the stock has advanced 10 per cent. Any advance beyond the 5 per cent. is without justification in fact, and is simply speculating upon chances. This undue advance induces others to sell the stock for future delivery, upon the presumption that it must fall back to its proper value. Not unfrequently these "short" sales are in the aggregate many times over the amount of stock outstanding; so that it happens, when the deliveries have to be made, that there is a demand for the shares producing a further excessive advance in the price, and the consequent losses too often bankrupt both the dealers and their customers. In a large majority of cases these transactions are wholly unjustifiable; for the reason that the operator knows nothing of the extent to which his operations may be affected by those of other parties; he blindly undertakes heavy risks without being able to judge of the conditions which determine them; and his speculation is consequently as essentially gambling as the the throwing of the dice. There is the greatest possible danger of stock speculation based, in the first instance, upon sound considerations, thus lapsing into the most reckless forms of gambling.

There is, however, a large extent of speculation gotten up on purely factitious pretenses. This artificial movement embraces a diversity of devices contrived with much adroitness and practised from year to

year upon the credulous "outside public" without discovery. Wall street has its seasons, and a programme correspondent thereto. When the crops are being marketed and the merchandise markets are active, money is in demand and securities are apt to be realized upon by mercantile holders and the banks. At that period, the predominant policy of the brokers is to depress the stock market, so as to get securities at low prices. After the crop and trade seasons have closed, money flows freely into the banks, and there is a demand for securities for the investment of profits and from those who had been sellers during the active season. This is the occasion for the brokers to become sellers; and every conceivable expedient is adopted to enable them to sell at the highest possible price. These seasons form the broad groundwork for the speculations of Wall street; but upon that foundation what a superstructure of indefensible transactions is reared! Not unfrequently intentionally false representations are put in circulation for affecting the value of stocks. Agents are systematically employed for misleading operators. When a clique, after persistently depressing the price of a stock, has been able to procure a large share of it at low prices, it employs subservient pensioners to give "points" to half credulous brokers, and to significantly hint to friends and operators generally that the stock is "a good purchase," the reasons assigned therefor being sometimes a gross exaggeration of facts, sometimes a pure invention. Here there is unqualified dishonesty. It is considered the proper culmination of a clique movement for an advance that it should issue in "a corner." By expedients well undersood on the street, the stock is run up to a price so extravagantly high that everybody sells it for future delivery, the clique themselves being the buyers and yet almost the exclusive holders of the shares; the result is that when the time comes for the deliveries of the stock the clique make their own prices for it. It was by an operation of this character that nearly all the stock of the Harlem Railroad was secured by one operator almost free of cost. Such operations also are conducted wholly irrespective of the value of the stock; they are a blind venture upon chances; they are unattended with any increase of the average wealth of the parties engaged in them; there is no gain in them, without an equivalent loss to others; they hold in useless employment a large amount of means which might otherwise be devoted to productive purposes; and they are, therefore, to say the least, a mere gambling employment of a vast amount of wealth. It is not surprising if in this exciting game of chances, railroad directors should be tempted to make the interests of their roads subservient to private speculations; nor if bank officers should conspire with clique leaders to derange the money market; nor if even legislatures, the

judiciary, and the press should become the tools of combinations. It is high time these irreguiarities were expunged from the business of Wall street.

FOREIGN TRADE OF THE UNITED STATES.

The Annual Report of the Director of the Bureau of Statistics presents an analysis of the export trade of the country, which throws much light upon matters that have long been obscure and misleading to statisticians. The official returns of our foreign commerce for late years have appeared to present a constantly increasing adverse balance in our trading account with foreign countries, which has been perplexing, and to those who have placed confidence in the completeness of the reports has resulted in serious miscalculations. From the imperfection of the laws regulating the official returns of exports, there has been a systematic underrating of the value of products going out of the country. The same error has also been encouraged from illicit traffic, from imperfect forms of export manifests, and from defective statistical blanks. From these causes very important understatements have crept into the published returns of our foreign trade. This may be illustrated by a comparison of our returns of exports to Canada with the report of the Canadian Government relating to the imports into that Province from the United States. The official returns of the two governments for the past three years have been as follows:

	Imports into Canada from the U. States. (Specie value.)	Exports from U. States into Canada. (Specie value.)	Excess of Canadian over US. ac's (Specie val)
1865	$16,485,625	$10,491,505	$5,994,120
1866	19,797,325	12,104,614	7,692,711
1867	20,811,824	9,719,257	11,092,567
Total, three years	$57,094,774	$32,315,376	$24,779,398

It thus appears that, in the single case of exports to Canada, there has been an undervaluation of nearly 25 millions in gold within the last three years. Similar errors occur in connection with our exports to other countries. This under-statement of exports arises, in great part, from the absence of any legal penalty against collectors granting clearances upon incomplete manifests. The Director cites the case of a vessel clearing from this port for Havana, last Spring, with 1,499 packages on board not included in her manifest, and this may be regarded as a specimen of *laches* more or less frequent.

The Report very properly calls attention to the fact that our transfers of vessels to foreigners are not included in our exports, although unquestionably belonging to that classification, and aiding materially to offset

our imports. The transfer of a large number of our vessels under foreign flags during the war, and the refusal of Congress to authorise their retransfer after peace, except under the old legal disabilities, together with the depressed condition of our shipping interest, has caused a large amount of our tonnage to be sold to foreigners within the last six years. The amount of tonnage thus disposed of from 1862 to 1867, inclusive, is stated at 808,961 tons. At the average value of $40 in gold per ton, this would amount to over $32,000,000; a very important item, of which no account whatever is taken in the official trade returns.

In comparing the exports with the imports, in order to arrive at an approximate estimate of the balance of our account with the rest of the world, it is important also to take into account the profits realised upon our shipments. Our exporters do not transact their business to no purpose; and in order to cover all the risks of their trade and leave a fair profit, a liberal margin must be allowed for the difference between the price at which produce is invoiced and that which it brings in the foreign market. A comparison of our own export returns with the import statistics of Great Britain will illustrate this point. According to the records of the Bureau of Statistics, the quantity of cotton shipped from this country to Great Britain for the year ending June 30, 1867, was 524,320,348 pounds, valued in currency at $161,021,504, which the director estimates as equivalent to $114,199,649 in gold. During the year ending July 31, 1867 (which represents the period when the before mentioned shipments would reach their destination) the imports of United States cotton into Great Britain were 524,267,520 pounds, the computed real value of which was stated in the Board of Trade returns at £28,209,940, which, at $4 84 to the pound sterling, is equal to $136,526,429 in gold. It thus appears that the difference in value of our cotton exports, at the ports of shipment and the ports of destination was $22,326,780 in gold. This of course is not to be regarded entirely as so much clear profit to our shippers; inasmuch as the costs of freight and insurance, largely payable to foreigners, have to be deducted, and also as a portion of the cotton was bought here by foreign houses at the manifest value. But, making due allowance for these considerations, it is clear that several millions must have been realized by our shippers beyond the price at which the cotton was entered in the export returns. The same rule, too, must apply to our exports of other commodities. The total imports for the fiscal year 1866–7 were $391,500,000, and the exports $334,400,000, the figures in each case representing gold values. Against the apparent deficiency of $57,100,000 we must set off a large though unascertainable amount for understatement of exports, for profits upon our shipments, for our sales of shipping, and for the losses upon

foreign consignment of goods to our markets during a disastrous business year.

Our exports for the last fiscal year were $38,800,000 (gold value) below those of 1860. This hiatus of seven years of retrogression, amid a period of unparalleled national progress, is a very suggestive and unsatisfactory fact, showing the sad effects of war and taxation upon commerce. While our exports have thus fallen off 10 per cent., those of the United Kingdom have increased 30 per cent., and those of France 43 per cent. A statement of the exports to the several countries in 1860 and 1867 shows that our shipments to Great Britain have fallen off, within that period, 6½ per cent., to France 42 per cent., and to British North America 16 per cent.; while those to the North German Union show a gain of $6,200,000, or 42 per cent. The decrease in our exports occurs chiefly, as might be expected, on staples of Southern production. The exports of cotton in 1867 realized $47,900,000 less than in 1860; and those of tobacco, rice, and naval stores combined less by $6,100,000. On Northern products there has been a net increase of $21,500,000, of which $17,200,000 occurs upon petroleum and coal oils. Our shipments of manufactures have fallen off from $35,200,000 to $27,900,000, or about 20 per cent. The commercial retrogression thus distinctly brought out furnishes material for grave reflection to our legislators.

RAILROAD EARNINGS FOR FEBRUARY.

It will be seen on comparing our present review of the railroad earnings with those of previous months that the list of roads making monthly returns is continually decreasing. This is certainly not in the inte rest of the stockholders, and a change should be effected by legislation, if it can be accomplished in no other way. It requires but little time to prepare for publication the necessary figures, and no company, therefore, can plead that it interferes with the office business. But even if it did, the public is entitled to have, and should be permitted to have, all the information the directors possess. Otherwise dealings in stocks are blind ventures, and the stocks themselves are the football of every idle rumor that floats.

It may be said that the exact figures cannot be so soon known. Then pray let us have the nearest possible approximations and slight inaccuracies can be corrected the following month. Some of our largest companies already make such returns, and if it is possible in one case it certainly is in all. We trust, therefore, that our own legislature will take the initiative in

this movement, and require every company heretofore or hereafter chartered by it to publish a statement early in each month of the gross earnings *and expenses* of the road for the previous month. No more effectual check on speculative directors could be devised; for every stockholder, whether he be rich or poor, can determine for himself, after knowing the net earnings of the road, what the dividends are likely to be or what is the present and prospecive value of this property.

The gross earnings of the under-mentioned railroads for the month of February, 1867 and 1868, and for the two months January and February of each year are exhibited in the following statement:

Railroads.	February 1867.	February 1868.	Jan. and Feb. 1867.	Jan. and Feb. 1868.
Atlantic and Great Western	$377,852	$395,286	$738,989	$790,057
Chicago and Alton	157,832	296,496	401,619	556,035
Chicago and Northwestern	574,664	800,787	1,270,811	1,542,713
Chicago, Rock Island and Pacific	224,621	281.900	516,668	565,500
Illinois Central	554,201	488,088	1,214,639	1,007,948
Michigan Central	283,669	304,315	587,766	647.634
Michigan Southern	311 ()88	339,736	616,945	710,777
Ohio and Mississippi	219,067	231,351	461,862	443,823
Pittsburg, Fort Wayne and Chicago	525,498	602,754	1,067,814	1,005,448
Toledo, Wabash and Western	200.793	265,793	438,407	544,505
Western Union	27,666	40,703	67,345	87,118
Total (11 roads) February	$3,079,099	$3,651,923	$6,643,936	$7,110,996

The gross earnings per mile of road operated during the month of February are shown in the following table:

Railroads.	Miles 1867.	Miles 1868.	Earnings 1867.	Earnings 1868.	Differ'e Incr.	Differ'e Dec.
Atlantic & Great Western	507	507	$745	$779	$34	$...
Chicago and Alton	280	280	563	1,058	495	...
Chicago and Northwestern	1,152	1,152	498	695	197	...
Chicago. Rock Island & Pacific	410	452	548	687	139	...
Illinois Centra	708	708	783	689	...	94
Michigan Central	285	285	995	1,068	73	...
Michigan Southern	524	524	593	648	55	...
Ohio and Mississippi	340	340	644	680	36	...
Pittsburg, Ft. Wayne and Chicago	468	468	1,122	1,287	165	...
Toledo, Wabash and Western	521	521	385	510	125	...
Western Union	180	180	153	226	73	...
Total (11 roads) February	5,875	5,417	$573	$674	$101	$...

The foregoing is a very satisfactory statement, showing a yet increase in the gross earnings of the eleven roads of $101 per mile over the corresponding month of last year.

PITTSBURG, FORT WAYNE AND CHICAGO RAILROAD.

The operating accounts of this company for the years ending December 31, 1866 and 1867, present the following results:

	1866.	1867.	Increase.	Decrease.
Passenger earnings	$2,441,895	$2,439,013	$......	$2,882
Freight "	4,707,582	4,483,616	.. ..	233,966
U. S. Mail "	93,900	93.900	......	......
Express "	100,298	100,632	......	334
Clev. & Petersburg RR. lease	85,000	85,000	.. ...	......
Rents	2,869	6,652	3,783	.....
Miscellaneous	35,662	33,311	......	2,361
Gross earnings	$7,467,217	$7,242,125	......	225,092

From which deduct cost of maintenance and operating, viz:

Maintenance of way	$1,270,533	$1,382,385	111,852	.....
" of cars	552,910	505,343	......	47,568
" of motive power	1,568,196	1,438,633	......	129,563
Transportation	1,280,472	1,192,486	......	87,986
General expenditure and taxes	475,574	344,725	......	130,849
Cost of operating	$5,147,686	$4,863,572	......	284,115
Balance	$2,319,531	$2,378,553	59,023	......
Add net income of N, C. and B. V. Railroad	55,460	55,344	......	116
Total net earnings	$2,374,991	$2,423,897	58,906	......

From which were paid the following amounts:

Interest on bonds	870,361	864,074	......	6,287
Dividend 10 p. c. and tax	1,035,315	1,088,816	53,501	......
Sinking fund	118,678	126,575	7,897	......
Cleveland & Pittsburg RR. lease	209,048	170,904	......	38,144
	$2,233,404	$2,250,370	......	16,966
	$141,587	$183,527	41,940	......

The net decrease in the earnings of the main line during 1867, as compared with 1866, amounts to $225,091 60, the falling off in the revenue from freight alone reaching $223,965, of which $170,307 occurred in the local freight, and $53,658 in the business which emanated from, or was destined to points on other roads, and which we call through freight. Yet, notwithstanding this decrease in the freight earnings, the tonnage carried increased 128,573 tons, 103,151 tons local, and 25,422 tons through freight, making the total tonnage for the year 1,154,351 tons, of which 671,348 tons were local. This decrease in the revenue, while the tonnage increased is due to the facts, first: that the average distance each ton of local freight was carried was less than during the previous year, and second, in consequence of the competition of other lines lower rates were charged for through freight. The passenger earnings show only a trifling decrease (viz. $2,882 21) which was entirely due to the through travel. For while the number of local passengers increased 77,729, or seven per cent., with an increased revenue of $107,027 89, the through passengers decreased 63,926, or a little less than thirty-one per cent., with a corresponding reduction in revenue of $107,910 20. As to the expenses of operating the road the report of the company gives us the following interesting facts:

The continued high price of labor and materials has prevented much of a reduction in the expenses of operating and maintaining the main line. They will, however, compare favorably with leading railways. A comparison with 1866 will show a decrease of $87,986 57 in conducting transportation; $129,562 50 in motive power; $47 567 87 in maintenance of cars, $130,849 18 in general expenses, and an increase of $111,857 71 in maintenance of way; in the aggregate a decrease of $284,114 47, or 5½ per cent. The foregoing, however, does not exhibit the true relative reduction in the expenses, as a larger volume of business was done, and consequently a greater amount of train mileage made. In 1867 the train mileage was 4,723,603 miles, excluding the mileage of wood and gravel trains, and in 1866 the amount was 4,574,204 miles, an increase of 149,399 miles The aggregate expense per mile of trains in 1866 was $1 12 3-10, while in 1867 it was $1 03, showing a reduction of 9 cents per mile, or at the rate of eight per cent.

The financial condition of the company as exhibited on the balance sheets of December 31, 1866 and 1867, is shown comparatively in the following statement:

	1866.	1867.	Increase.	Decr'se.
Capital stock	$9,940,987	$11,500,000	$1,559,013	$.....
Funded debt	12,568,500	12,563,000	....	5,500
Due to other companies	40,822	....	....	....
Miscellaneous liabilities	364,295	149,851	....	234,444
Current exp'nses in Dec. & prior	568,987	573,289	4,302	.....
Due J. F. Lanier, Trustee	88,258	....	....	.....
Balance to credit of income	3,355,707	3,480,186	124.479	.....
Total	$26,927,539	$28,266,267	$1,338,728	.....

Against which are charged as follows, viz:

Cost of railway, &c	$24,253,746	$25,478,860	$1,225,114	$.....
Supplies on hand	631,918	561,443	....	70,475
Due from other companies	386,954	291,082	....	95,872
Miscellaneous assets	708,333	633,641	....	74,692
Sinking funds	275,910	404,710	128,800	.....
Cash in hand	670,675	896,529	225,854	.....
Total	$26,927,539	$28,266.267	$1,338,728	.....

The strength of the company's financial position on Dec. 31, 1867' may be seen at a glance by reference to the following statement:

The immediate liabilities are:

For current expenditures in December, &c	$573,289 40
For other miscellaneous liabilities	149,851 06
Total liabilities	$723,140 46

To pay which you have the following:

Cash	$896,529 45
Net amount due by other companies	291,081 54
Miscellaneous assets	633,641 44
Total assets	$1,821,252 43
Excess of assets over liabilities	1,098,111 97

The shares of this company fluctuated in the New York market in 1867, as is shown in the following exhibit:

January	92 @105¼	May	93 @ 98	September	99¾@106
February	94⅝@ 99¾	June	96⅛@ 99¾	October	96¼@101
March	92⅝@ 97⅞	July	100 @107	November	95⅛@ 98⅛
April	89¼@ 95¾	August	103¼@107	December	97 @100¼

MICHIGAN SOUTHERN AND NORTHERN INDIANA RAILROAD.

We have been favored with an advance copy of the report of this company, showing the following as the earnings and expenses for the year ending February 29, 1867 and 1868:

EARNINGS.

	Year ending Feb. 29, 1868.	Year ending Feb. 28, 1867.
From Freight	$2,725,249 80	$2,681,901 16
" Passengers	1,689,107 09	1,749,386 74
" Mails	54,645 43	54,786 24
" Express	186,588 09	120,316 65
" Rents	22,772 50	19,780 83
" Dividends on stock yard stock	30,500 00	......
" All other sources	38,356 20	47,072 24
Total	$4,747,219 11	$4,673,192 86

OPERATING EXPENSES.

General superintendence	$54,124 53	$51,598 38
General office clerks and employees	28,156 05	19,777 22
Outside agencies	41,515 22	40,462 02
Conductors and trainmen	171,643 30	108,294 18
Enginemen and firemen	147,191 76	143,397 01
Agents and station labor	268,854 41	320,709 39
Switchmen and watchmen	89,700 91	84,361 54
Telegraph operators	37,214 10	34,495 47
" repairs and supplies	9,655 56	8,165 31
Supplying water	21,684 39	23,205 25
Gas light account	6,889 82	5,253 14
Flagmen and patrol	16,840 03	19,752 49
New and re-rolled rails	316,433 10	447,827 50
Joints for new and re-rolled rails	22,312 80	47,434 80
Repairs, roadway and track	558,277 31	617,590 52
" bridges	68,781 52	34,177 74
" fences	30,672 58	16,285 61
" buildings and fixtures	81,663 80	57,437 51
" engines and tenders	242,625 50	249,856 59
" cars	223,816 31	229,793 47
" shop tools and machinery	17,933 12	17,445 41
Fuel consumed	268,740 13	255,568 63
Oil and tallow	42,579 03	57,121 71
Waste and rags	7,601 57	8,660 06
Office, train and station supplies	30,571 49	25,737 73
Advertising, printing and stationery	18,913 38	21,376 81
Damage and loss of freight and baggage	22,863 42	20,137 42
" to property and cattle killed	2,412 51	3,846 90
Personal injuries	13,034 90	20,108 87
Law expenses and New York office	29,872 34	44,945 38
Rents paid	10,231 26	9,190 97
Contingencies	10,518 26	9,530 39
Insurance	13,623 09	10,110 38
Total	$2,866,387 50	$3,063,705 81
Net earnings	$1,880,831 61	$1,609,487 05
Increase in gross earnings		$74,026 25
Decrease in operating expenses		197,318 31
Increase in net earnings		271,344 56

Operating expenses were $60\frac{1}{3}$ per cent. of gross earnings this year against $65\frac{1}{2}$ last year. The resources of the year would therefore show as follows:

Net earnings		$1,880,831 61
Less...Interest on funded debt	$640,516 13	
Dividends on guaranteed stock	68,740 00	
Taxes	138,254 88	
Rent Erie and Kalamazoo Railroad	30,000 00	
Interest and exchange	2,569 05	
Contributions to sinking fund	151,000 00—	1,031,080 06
Surplus		$849,751 55
Add...Cash on hand March 1st, 1867		295,698 67
Sinking fund bonds, sold at par		58,000 00
Union stock yard stock, sold at par		50,000 00
Sales of land at Chicago and elsewhere		67,680 06
Common stock issued in settlement of back dividends on guaranteed stock		45,000 00
And we have, to be accounted for		$1,366,230 28

TABLE "A"—FLOATING LIABILITIES.

	Feb. 29, 1868.	Feb. 28, 1867.
February expenses and other unpaid bills	$234,406 36	$484,700 43
Unclaimed interest and dividends	33,071 31	32,623 28
Bills payable, Chicago	....	25,000 00
Total	$267,477 67	$542,323 71
Paid off	$274,846 04	

TABLE "B"—AVAILABLE ASSETS.

	Feb. 29, 1868.	Feb. 28, 1867
Uncollected earnings	$187,279 91	$198,928 44
Freight overcharges due us	13,327 03	24,669 45
Bills receivable, Chicago	9,210 00	5,801 24
Working supplies on hand	735,436 78	656,527 99
Individual accounts, Toledo	....	1,669 71
Total	$945,253 72	$887,596 83
Increase	$57,656 89	

We take from the report the following statement of the cost of improvements for the year:

IMPROVEMENTS.

Lands purchased—Toledo, Chicago, Elkhart, &c		$31,738 66
Completion Chicago passenger depot		39,938 29
" " freight depot		2,035 90
" Detroit passenger depot		7,200 21
Our half Clark street paving, Chicago		4,877 56
Our half C. & T. connection track, Toledo		5,946 64
Our share new ferry slip, Detroit		4,000 00
Bridge masonry		83,810 26
New buildings and fixtures on the line		15 359 90
Filling bridges replaced by masonry		2,780 00
New side tracks		20,248 00
Changing line and raising grade at Monroe		5,290 88
		$223,227 20
New cars		201,850 15
Total improvements		$425,077 35
Settlement back dividends on guaranteed stock (paid in common stock, except $90)		45,090 00
Premium on conversions guaranteed stock, (cash)		60,240 00
D. M. & T. stock bought in		3,629 67
Northern Indiana first mortgage bonds paid off		4,000 00
Second mortgage scrip paid		200 00
Floating liabilities all paid, (Table "A.")		274,846 04
Worthless assets charged off to profit and loss		5,513 48
Total expended		$818,596 54
Balance on hand, viz:		
Cash in New York	$382,513 06	
Cash in Chicago	107,463 79	
Increase in working supplies, &c., see table "B"	57,656 89	547,633 74
		$1,366,230 28

HUDSON RIVER RAILROAD.

This road, running from New York city to East Albany, is (double track) 144 miles in length. The Troy and Greenbush Railroad (East Albany to Troy,) double track, 6 miles, is also operated by it under lease. The number of engines and cars (8-wheel) owned by the company, and in use on the line on the 1st October, yearly, for seven years, was as follows:

	1861.	1862.	1863.	1864.	1865.	1866.	1867.
Locomotives	61	64	68	71	79	80	82
Passenger (first-class) cars	111	107	107	124	124	123	124
Passenger (second-class) cars	6	6	11	11	13	18	18
Baggage, mail, &c., cars	35	29	27	31	28	28	32
Freight cars	653	651	675	671	711	799	965
Dummy engines	....	...	3	3	3	3	5
City cars	....	...	...	...	30	20	20

The "Doings in Transportation" in the last four years, are recorded in the following statement;

	1863-64.	1864-65.	1865-66.	1866-67.
Miles run by passenger tr'ns	628,835	698,226	685,649	794,984
" freight trains	663,863	588.315	639,353	707.156
" gravel trains	103,596	59,538	60,799	96,186
" city cars	......	256 200	334,728	252,184
Passengers carried	2.017,843	2,068 245	2,159,267	2,266,743
Miles of travel	98.853,821	85,778,513	92,793,027	91,129,722
Tons of freight carried	601,824	491,855	497,307	581,437
Miles of transportation	72,720,351	53,738,444	57,515,439	73,237,023
City passengers carried	....	1,137,558	1,692.058	946,910
Miles of travel	....	2,275,116	2,184,116	1,898,820
	$	$	$	$
Passenger earnings	1,921,964 13	2.099,951 72	2,138,944 80	2,025,800 80
Freight earnings	2,142.301 05	2,224,030 08	2,345,611 88	2,841,258 07
Miscellaneous	68,334 87	128,398 36	360,969 48	400,100 23
Total gross earnings	4,132,600 05	4,452,380 16	4,845.526 16	5,267,100 23

The receipts and expenses connected with operations in the same years, are thus summed up :

	1863-64.	1864-65.	1865-66.	1866-67.
Passengers	$1,921,277 45	$2,009,030 14	$2,138,944 80	$2,025,800 86
Freight	2,134,669 31	2,189,371 88	2,327,648 68	2,841,258 07
Rents	12,473 82	16,292 94	28,724 86	43,350 38
Mail service	32,400 00	32,400 00	32,400 00	45,000 00
Telegraph	1,500 98	1,254 77	....	2,523 00
Miscellaneous	21,960 07	78,450 65	299,844 62	272,499 77
Total receipts	$4,124,281 63	$4,326,800 38	$4,827,562 96	$5,111,800 41

From which were paid (other than for construction) as follows :

Transportation	$2,545,306 88	$3,176,612 45	$3,050,426 73	$3,225,753 03
Roadway, engi's,&c	....	281,100 00	546.493 03	756,006 69
Interest	594,487 92	537,613 16	515,918 11	485,220 77
Dividends—cash	(8) 499,286 80	(8) 329,405 25	(9) 615,427 00	(8) 572,083 75
" scrip	(6) 441,930 00	....	....	....
U. S. tax on earni's	....	....	99,298 09	70,196 17
Surplus fund	43,270 03	2,069 52	....	2,540 00
Total disbursem's	$4,124,281 63	$4,326,800 38	$4,827,562 96	$5,111,800 41
Total surplus fu'd	1,763,321 73	....	....	....

The following statement of the capital and debts of the company, and of the cost of construction and equipment, is an abstract of the annual reports to the State Engineer (date Nov. 30) ;

	1864.	1865.	1866.	1867.
Capital paid in	$6,218,041 89	$6,563,250 38	$6,962,971 45	$9,981,500 00
Funded debt	7,737,480 00	7,762,840 00	7,227,460 00	6,394,550 00
Floating debt	1,167 00	1,167 00	1,167 00	1,167 00
Total	13,956,888 89	14,327,257 38	10,191,598 45	16,387,217 00
Construction	$10,774,017 22	$10,970,884 51	$11,095,338 15	$...........
Equipment	1,616,413 57	1,969.334 33	2,125,599 51	....
Engineering, &c	708,901 82	708,991 82	768,901 82	....
Discount, &c., &c	1,570,514 41	1,570,514 41	1,570,514 41	....
Horses, harness, &c	....	44,951 50	43,471 50	....
T'l cost of r'd, &c	14,669,847 02	15,264,586 57	15,543,825 39	17,505,037 2

The funded debt is made up of the following classes of bonds :

Classes.	Interest.	Amount.	Payable.
1st mortgage 7 per cent. bonds	Feb. and Aug.	$1,954,000	Feb. 1, 1869.
1st mortgage 7 per cent. bonds	" "	1,936,000	Feb. 1, 1870.
1st mortgage 6 per cent. bonds	" "	110,000	Aug. 1, 1869.
2d mortgage (S. F.) 7 per cent. bonds	June and Dec.	2,000,000	June 16, 1885.
3d mortgage 7 per cent. bonds	May and Nov.	....	May 1, 1875.
Convertible 7 per cent. bonds	" "	....	May 1, 1867.

Under the head of "Discounts, &c.," are comprised—the loss in negotiating bonds and loans, commissions paid, interest to stockholders, &c., prior to 1855.

The following statements have been abstracted from the annual reports from 1859-60 and following years:

Year ending Sept. 30.	Cost of Road and Equipment.	Gross. Earnings.	Operating and Repairs.	Earnings, less Expenses.	Div. p. c.
1860	$13,370,959	$2,047,145	$1,269,025	$778,120	nil
1861	13,619,114	1,989,014	1,422,553	566,461	"
1862	13,684,309	2,637,529	1,367,575	1,[illegible]69,954	"
1863	14,186,824	3,581,902	1,748,425	1,833,477	7
1864	14,669,847	4,132,600	2,545,307	1,587,293	11
1865	15,284,586	4,452,380	3,176,612	1,275,768	8
1866	15,543,825	4,845,526	3,050,427	1,795,099	9
1867	17,505,037	5,267,100	2,225,753	2,041,347	8

The following shows the cost, earnings and expenses per mile of road for the same years, the 150 miles constituting the line between New York and Troy being taken for the divisor:

	Cost of road p. m.		Per mile of road				
Fiscal year.	Stock and debt.	Actual cost.	Gross earnings.	Operating expenses.	Net earnings.	Expen's to gross earn'gs, per ct.	Profits to sto'k & debt, per ct.
1860	$87,117	$89,136	$13,648	$8,469	$5,188	61.98	5.89
1861	91,126	90,795	13,260	9,484	3,776	71 52	4.14
1862	87,959	91,228	17,584	9,117	[illegible],467	51.80	9.62
1863	89,099	94,578	23,879	11,656	12,223	48.31	13.72
1864	93,046	97,799	27,551	16,969	10,582	61.61	11.37
1865	95,515	101,538	29,682	21,177	8,505	71.01	8.90
1866	94,611	103,625	32,303	20,336	11,967	62.96	12.64
1867	109,248	116,700	35,114	21,505	13,609	61.24	12 46

The monthly fluctuations in the price of the stock of this company in the New York market is shown in the following table:

	1863.	1864.	1865.	1866.	1867.
January	82 @ 93	129½@143	95 @115	98½@109	119 @125¼
February	91¾@ 99	130 @162	101 @117½	99 @104¾	128 @138¼
March	95 @101¾	148½@161½	88 @115	102¾@109⅝	135½@140
April	102 @117	120 @164	91½@114½	105¾@111	{ 135 @137¼ x90 @ 96¾
May	116 @142½	132 @156	94 @114½	108 @114	96 @108¼
June	118 @143½	138 @147	97¾@110¼	110 @113¼	102⅝@110
July	145 @180	120 @137½	107 @111½	112⅞@120	109½@122¼
August	141½@1[illegible]3	126 @135	101¼@113¼	118¾@121½	119¼@125½
September	128½@150	157 @127¾	108¾@111½	119 @125	124¾@139½
October	131 @141¼	109 @1[illegible]5	103½@112⅞	120 @128¾	125¼@133
November	121 @134½	1[illegible]8 @127½	106 @110¾	118 @126½	123¼@126¼
December	110¾@129¾	114 @118¾	107 @109½	118 @137	124 @133¾
Year	82 @180	107 @164	88 @117½	98½@137	{ 119 @140 x96 @139½

In April, 1867, the company doubled their capital stock, and in payment therefor allowed 46 per cent., in addition to the 4 per cent. cash dividend then paid. This plan was adopted as compensation to the stockholders for earnings applied to construction since 1851. The other 50 per cent. of the new capital goes to purchase, &c., of the station property in the St. John's Park and the improvement of the road generally. When the payments and purchase are completed, the share capital will be about $14,000,000.

RAILROADS OF OHIO.

The first annual report of the Commissioner of Railroads of the State of Ohio has just been published, containing statistics of the condition of the railroads of that State on the 30th June, 1867, and of their operations for the year ending at that date.

The office of Commissioner was created by an act of the Ohio Legislature

passed on the fifth of April, 1867, and in pursuance of the provisions of that act this report is made to the Governor. The Legislature of Ohio has thus followed the example of New York, Pennsylvania, Massachusetts, Connecticut and other States in requiring by law an annual statement, under the oath of an officer, of the condition and operations of the several railroad companies within her borders. The wisdom of the legislation requiring such reports can hardly be questioned, when we consider how immense are the interests controlled by these great corporations, and how important an influence they have in developing the material prosperity of the State. In one respect the laws of most of the States might be amended to advantage, namely, in requiring more detailed information as to the financial condition of the companies, giving the several classes of their funded debt, the rate of interest paid upon it, &c.; the returns are required to be very complete in respect to the condition of the road itself and the running operations, but are much less complete in regard to the financial affairs.

In the limited time allowed, and without any previous reports from which to proceed as a basis, it could hardly be expected that the Ohio Report should be as perfect this year as it will be hereafter. It contains, however, much valuable information, and gives promise of furnishing an excellent abstract of the condition of the railroads in that State if the duties of the commissioner continue to be discharged with the energy and industry shown by the present incumbent of the office.

The length of the railroads now built and in operation in the State is as follows:

Single main track	2,805 169-1,000 miles.*
Double main track	84 470-1,000 miles.
Length of branches	406 930-1,000 miles.
Side track	427 832-1,000 miles.
Total miles of iron in Ohio	3,877 091-1,000

The total amount invested in the construction and equipment of these lines, as they stood on the 1st of July, 1867, as shown by the returns of the several companies in the State, is:

Capital stock	$92,528,515 80
Debt	72,020,382 89
Total present cost	$164,548,898 69

Thus giving to the stockholders 3,877 091-1,000 miles of railway equipped at a cost of $42,441 33 per mile. This does not include the amount sunk by concessions and surrender of stock and debt, made by many with a view to relieve the companies from embarrassment, or the amount lost by the original stockholders and creditors, who parted with their interests at merely nominal prices, in many cases not yielding them one-tenth the interest on their investment. The only recompense to this large class is the enhanced value of their other property, the development of the State and the enlarged facilities for commerce and general business, which are common to the whole public. The number of persons now employed in managing and operating the railways in Ohio, as appears from the returns of the several companies, is 18,778

The aggregate amount of the gross receipts of the several companies reported for the year ending June 30th, 1867, from all sources, is $43,523,959 90, and the aggregate amount of Federal, State and other taxes paid by them during the same period, is $369,472 39. This, of course, includes the earnings and taxes of those

* 152 690-1,000 of this is double guage.

companies reporting, whose lines extend beyond the limits of the State. In the following table may be seen at a glance the condition of the different roads:

OHIO RAILROAD RETURNS FOR YEAR ENDING JUNE 30, 1867.

Companies.		Capital Stock.	Debt.	Total miles of tr'k laid*	Miles of tr'k laid in Ohio.*	Receipts.	Expenditures.
Atlantic & G. Western	†	30,000,000	$31,119,414	‡505	429	$5,531,338	$5,473,521
Cleveland & Mahoning		2,056,400	1,652,200	§	...	....	..
Bellefontaine		4,420,000	1,628,000	‖203	123	1,376,360	1,359,884
Central Ohio		3,000,000	2,566,630	154	154	8[illegible]8,[illegible]60	1,087,042
Cinc., Day. & Eastern		155,00	465,000	..	...	668,041	599,618
Sandusky & Cincinnati	†	445,596	1,362,873	190	190	....	..
Springfield & Columbus		196,000	150,000	21	21	11,958	9,924
Cinc., Ham. & Dayton		3,260,800	2,260,000	¶176	176	1,301,536	1,378,316
Dayton & Michigan	†	2,388,063	4,008,917	156	156	865,543	740,464
Cinc., Rich. & Chicago		374,100	573,830	44	38	202,912	216,743
Cincinnati & Zanesville		1,669,361	1,300,000	139	139	354,347	354,347
Cleve., Col. & Cincinnati		6,000,000	425,000	248	248	1,857,540	1,754,[illegible]19
Cleveland & Pittsburg		5,391,775	3,849,000	270	215	2,493,571	2,3[illegible]2,907
Cleveland & Toledo		5,000,000	2,872,185	173	173	2,427,354	2,579,469
Cleve., Zane. & Cincinnati		369,673	1,198,561	65	65	141,457	141,457
Columbus & Ind Central		2,890,200	5,426,[illegible]73	230	156	1,164,317	1,164,317
Cleve., Painesv. & Ashtab.		5,000,000	1,500,000	136	100	2,547,[illegible]81	2,174,839
Carrollton & Oneida		98,000	3,000	12	12	3,555	10,397
Cincinnati & Indiana		2,000,000	2,000,000	31	31	....	....
Dayton & Union		63,500	542,3[illegible]7	33	33	113,991	116,631
Iron		134,000	55,959	14	14	61,727	54,663
Junc'n (Cinc. & Indianap.)		1,962,195	1,600,000	71	22	516,040	516,040
L. M. & C. & X. — Little Miami		3,572,400	1,400,000	128	128	....	....
L. M. & C. & X. — Col & Xenia	†	1,786,200	248,000	67	67	1,815,388	1,831,871
L. M. & C. & X. — Day. & Xenia		...	...	16	16	....	....
Dayton & Western		309,276	738,203	44	42	147,475	169,657
Lake Erie & Louisville		1,211,700	5[illegible]2,000	38	38	48,971	48,286
Michigan S. & N. Ind.	†	10,601,200	9,160,840	‡512	95	4,494,070	3,995,309
Detroit, Mon. & Toledo		....	....	7	7	....	...
Marietta & Cincinnati		14,256,253	4,838,448	298	298	1,203,634	1,328,142
Ohio & Mississippi		...	2,050,000	‖335	20	....	....
Pittsb., Col. & Cincinnati		1,983,140	6,739,000	145	145	1,275,161	1,262,079
Pittsb., Ft. W. & Chicago		9,997,135	12,937,098	641	294	7,700,958	8,351,824
Sandus., Mans. & Newark		900,235	2,150,000	125	125	545,275	533,750
Toledo, Wab. & Western		6,700,000	14,120,000	‖489	84	3,765,956	4,488,147
Totals		$128,192,207	120,452,694	5729	3877	43,523,959	44,063,978

The record of accidents during the year is necessarily very imperfect. Many companies do not keep a perfect record, as they should, and some have made no returns. As far as returns have been received, they are given in the following results:

Total number of farm animals killed	1,212
" " of persons injured	141
" " of persons killed	108

Of the number killed there were:

Passengers	9
Employes	39
Others	60

From the detailed statements the following classification is made:

Killed by collision	1
" by being on track	47
" by falling from train while in motion	14
" in attempting to get on or off the train while in motion	10
" by being struck at crossings	18
" by train being thrown from track	7
" in coupling cars	5
" in switching	1
" by striking bridges	5
" by explosion of engine boiler	2
" by other causes	1

Of the number killed, 18 were known to be intoxicated at the time of meeting their death. It will be observed that of the 108 killed, 65 were either on the track, attempting to cross or attempting to get on or off the train while in motion; these are the three principal causes of accident, as appears from the returns of the past year.

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* Including branches, double track, etc. † Operated by one organization. ‡ Main track and branches (does not include sidings). § Included in Atlantic and Great Western. ‖ Includes only main line. ¶ Nearly all double gauge.

CHICAGO AND ALTON RAILROAD.

The annual report of this company for the year ending December 31, 1867, has just been issued. As already indicated in the returns published each month, the road shows a decided increase in its earnings over those of 1866, notwithstanding the depression in general business, and its serious losses by fire and freshets. The gross receipts exceed those of the previous year about 5½ per cent.—the two years comparing as follows:

	1866.	1867.	Increase.	Decrease.
Passenger traffic	$1,246,295 88	$1,208,760 03	$..........	$37,535 85
Freight traffic	2,309,498 59	2,430,008 36	120,509 77	....
U.S. mail, expresses, &c	139,358 39	254,093 09	114,734 70	....
Total gross earnings	$3,695,152 86	$3,892,861 48	$197,708 62	$..........
Total expenses	2,210,536 23	2,149,128 06	... .	61,408 17
Earnings less expenses	$1,484,616 63	$1,743,733 42	$259,116 79	$..... ....

An item of $800,000 is charged the income account in the present report for the stock of the Alton and St. Louis Company, which has been all purchased, the property being merged in, and now represented by the stock of the Chicago and Alton Company. To provide the means for purchasing the whole of the Alton and St. Louis stock, and for other purposes, on the 15th of February, 1866, an increased issue of Chicago and Alton stock was sold to stockholders *pro rata*, with the understanding that if the Alton and St. Louis road should become the property of this company in the manner indicated, it should be merged with the other property of the company, and represented by Chicago and Alton stock then issued. Purchases of the Alton and St. Louis stock were made from time to time as opportunity offered, but the entire stock had not been acquired until the close of the year 1867. In the meantime, the stock of that company and the fund set apart for its purchase, have appeared in the income account as part of assets on hand. The object having now been accomplished, the cost of that road is charged as paid out of that account.

The increased amount of earnings from freight traffic is mainly due to the accession of business from the St. Louis, Jacksonville and Chicago road since its connection with this line at Bloomington, on the 23d of September last. Although the two lines were connected at that date, the remaining three months of the year were occupied by the St. Louis, Jacksonville and Chicago company in constructing sidings and station buildings, and in procuring rolling stock necessary for the transaction of its business. The amount of traffic contributed to this line was, therefore, much less than it would have been had that company been fully prepared for business when the connection was made. The amount of earnings on joint business with that line, received mainly during the last three months of the year was, exclusive of the 10 per cent bonus paid to them as per contracts dated January 25th, 1864, as follows: on passenger traffic $40,950 08, on freight traffic $214,514 05, making an aggregate of $255,464 13. While the cash receipts from passenger traffic are less, the number of passengers carried exceeds that of the preceding year by 14,674: the number in 1866 being 516,543, and in 1867 531,217, the increase being in local traffic.

The increased tonnage of freight in 1867 over 1866 is equal to nearly 18 per cent. The proportion between through and local freight being 12 4-10 per cent. of the former, to 87 6-10 per cent. of the latter.

The coal traffic of this line is increasing. Beginning in 1865 with 6,000 tons, it reached in 1866 to 71,090 tons, and in 1867 to 146,050 tons. It is said that a large number of new mines are being opened, from which an increased amount of coal will be taken the present year.

The number of locomotives owned by the company is 72, five having been added during the year. The whole number of cars owned by the company is 1,406, as follows: passenger cars 34, baggage and express cars 15, house freight cars 773, stock cars 238, platform cars 344, wrecking and tool cars 2, freight cars of all descriptions 1,355.

The report states that the investment of the company ($55,000) in the Union Stock Depot at Chicago, yields a direct return of ten per cent. per annum, besides incidental advantages of much greater importance in promoting traffic in the transportation of live stock.

On the 14th of February the bridge over the Kankakee river—550 feet in length—was destroyed by a freshet. It was found to be impossible to construct a temporary bridge for the passage of trains earlier than the 8th of March—during the time when the railway was thus practically severed the company suffered a loss in business which has been estimated at $150,000; the bridge has since been replaced by a durable iron structure.

On the night of November 1st, the main machine and car shops of the company, located at Bloomington, were destroyed by fire, involving a loss estimated at $124,634 59, of which $97,000 was covered by insurance.

The earnings, expenses and profits from operations for the last seven years have been as follows:

Fisc year.	Miles of r'd.	Result of operations. Earnings.	Expenses.	Profits.	Result per mile. Earni'gs.	Expens's.	Profits.	Profits p. c.
1861	220	$1,098,464	$646,372	$452,092	$4,993	$2,938	$2,055	41.15
1862	220	1,225,001	767,207	457,794	5,567	3,487	2,080	37.36
1863	220	1,673,706	971,840	701,806	7,608	4,418	3,190	41.99
1864	257	2,770,484	1,532,105	1,238,379	10,780	5,961	4,819	45.03
1865	280	3,840,092	2,006,574	1,833,518	13,714	7,166	6,548	47.75
1866	280	3,695,153	2,210,536	1,484,617	13,197	7,895	5,302	40.18
1867	280	3,892,861	2,149,128	1,743,733	13,903	7,675	6,228	44.79

The net earnings have been disposed of in the last three years, as shown in the following statement:

	1865.		1866.		1867.	
Net earnings		$1,833,518		$1,484,617		$1,743,733
Joliet & Chic. R, lease	$140,289		$153,812		$152,927	
Alton & St. L's R, l'e	58,238		11,760		10,711	
Improvements	407,447		221,707		355,407	
Interest on bonds	283,185		280,700		277,095	
Sinking funds and tax	34,362		57,138		56,943	
Dividends and tax	376,548	—1,300,069	553,442	—1,278,059	664,173	—1,517,256
Balance to credit		$533,449		$206,558		$226,477

The surplus Jan. 1, 1867, amounted to $1,497,955, and Jan. 1, 1868, to $924,352 28. This surplus is represented by

Bonds held by Trustees on renewal account	$50,000
Chicago and Mississippi Railroad Company bonds	2,500
St. Louis, Jacksonville and Chicago Railroad Company bonds	15,300
Interest in Union Stock Depot, Chicago	55,000
Interest in palace sleeping cars	20,000
United States Five-twenty bonds on hand	10,000
Expended at Bloomington to replace losses by fire	78,152
Expended at Bloomington for depot grounds	13,800
Sums due this company	229,035
Cash on hand—general fund	524,128
Supplies on hand	308,788
	$1,306,703
Less sums due others $382,351	924,352

The general balance sheets, December 31, 1864–67, exhibits the financial condition of the company thus:

	1864.	1865.	1866.	1867
Capital stock, preferred	$2,425,576	$2,425,575	$2,425,576	$2,425,410
" " common	1,783,343	1,783,343	3,886,643	3,886,572
Bonds—sinking fund	554,000	519,000	483,000	444,000
" 1st mortgage	2,400,000	2,400,000	2,400,000	2,400,000
" income	1,100,000	1,10 ,000	1,100,000	1,100,000
Sinking fund, bonds cancelled	46,000	81,000	117,000	156,000
" " cash	575	134	....	....
Bonds and stocks unissued	38,313	37,813	37,813	37,813
Renewal fund, J. & C. R. R. stock	351,786	.....	.....	.....
Alton & St. L. R.R. construction fund	77,471	.....	.....	.....
Current accounts	378,296	369,960	342,917	209,160
Income, surplus Dec. 31	741,236	1,291,398	1,497,955	924,352
Total	9,896,568	10,008,224	12,290,904	11,583,307

Against which the following charges are made:

	1864.	1865.	1866	1867.
Cost of road & equipm's (220 m's)	$8,308,919	$8,308,919	$10,118,522	$10,276,604
Bonds and stocks unissued	38,313	37,813	37,813	37,813
Alton and St. Louis RR. shares	647,700	637,700	675,000	......
Railroad bonds (foreign)	.....	......	24,800	17,800
Joliet & Chicago RR. shares	11,400	......	.	.....
U. S. securities, $135,000	....	......	135,614	10,000
Renewal account, bonds in trust	50,000	50,000	50,000	50,000
Supplies on hand	286,998	451,931	436,139	3 8,787
Timber land	57,486	41,268	......	......
Trustees sinking fund	575	134	......	254
Stock depot & grounds purchased	......	78,639	50,000	55,000
Interest in palace sleeping cars	......	....	.....	20,000
Expended to replace losses at Bloomington	.....	......	......	78,152
For depot grounds at Bloomington	......	.....	......	13,800
Current accounts	258,168	208,820	165,478	180,967
Cash on hand, general fund	237,044	193,097	439,455	524,128
do do special fund	......	.....	158,083	.....
Total	$9,896,568	$10,008,224	$12,290,904	$11,583,307

Since the re-organization of the company in October, 1862, the following cash dividends have been declared and paid:

Date of payment.	Pref.	Com.	Date of payment.	Pref.	Com.
September, 1863	3½	3½	March, 1866	5	5
March, 1864	3½	—	September 1866	5	5
September, 1864	3½	6	March, 1867	5	5
March, 1865	5	5	September, 1867	5	5
September, 1865	3½	3½	March, 1868	5	5
Total in five years and a half				44	43

The monthly range of prices for the stocks of this company in the New York market, for the last three years, is shown in the table which follows:

	Common Stock.			Preferred Stock.		
	1865.	1866.	1867.	1865.	1866.	1867.
January	89 @ 92	103 @105¼	105 @110¾	90 @ 95	105 @107	109 @112
February	90 @ 95½	102 @119	106 @111	92½@ 98	103 @120	112 @116
March	80 @ 90½	83 @112½	105½@108¼	84 @ 93½	94½@118	106 @109
April	80 @ 92	84 @ 90¼	105 @107	85 @ 95	93 @ 96	108 @109
May	82½@ 93¼	91 @ 99	107 @108	91 @107	100 @101	111¼@111¼
June	87 @ 97½	95 @ 99	109 @114½	92½@105	102 @102	111½@116¼
July	92 @103	98¼@105¼	114 @115	101 @102½	104½@106	117 @122
August	96 @103	102½@109	111 @117	96 @104	105 @10[illegible]	114 @120
Septem	96 @101	105 @118½	117 @125	97½@105½	106 @[illegible]	118 @128
October	104 @106½	110¼@113½	123 @125	105 @107½	113 @[illegible]	125 @128
Novem	103 @106	106 @113	120 @122	104½@107	109½@[illegible]	125 @128½
Decem	104 @106½	108 @110½	121½@130½	105 @107½	110½@111	125 @130
Year	80 @106½	83 @119	105 @130½	84 @107½	93 @ 20	106 @130

COINAGE OF BRANCH MINT AT SAN FRANCISCO.

The following is a statement of Deposits and Coinage at the Branch Mint of the United States, San Francisco, Cal., during the year ending December 31, 1867.

Gold depos'ts	$18,923,152 17
Silver deposits and purchases	613,117 94
Total deposits	$19,536,270 00

GOLD COINAGE.

Denomination.	No. Pieces.	Value.
Double Eagles	920,750	$18,415,000 00
Eagles	9,000	90,000 00
Half Eagles	29,000	145,000 00
Quarter Eagles	28,000	70,000 00
Total	986,750	$18,720,000 00

SILVER COINAGE.

Half dollars	1,196,000	$598,000 00
Quarter dollars	48,000	12,000 00
Dimes	140,000	14,000 00
Half Dimes	120,000	6,000 00
Fine bars	20	20,534 92
Total	1,504,020	$650,534 92

RECAPITULATION.

Gold Coinage	986,770	$18,720,000 00
Silver	1,504,020	650,524 92
Total	2,490,770	$19,370.534 92

GOLD DEPOSITS.

United States bullion—		
California	$5,700,871 12	
Idaho	1,144,483 04	
Oregon	319,610 09	
Montana	309,843 32	
Nevada	49,030 47	
Arizona	48,797 73	
Parted from silver	168,901 92—	$7,741,548 50
Fine bars	$10,980,791 94	
Foreign coin	153 453 31	
Fhreign bullion	47.358 42—	11,181,603 67
Total gold		$18,923,152 17

SILVER DEPOSITS.

United States bullion—		
Nevada	205,618 87	
Arizona	8,425 74	
Idaho	39,737 45	
Parted from gold	69,999 56—	$323,771 62
Bars	239,7 9 25	
Foreign coin	27,595 31	
Foreign bullion	21,952 76—	289,346 32
Total silver		$613,117 94

Silver bars stamped	20,534 92
Total gold and silver	19,536,379 11
Fine bars, total	20,584 92

The deposits of gold show an increase of $1,643,253 82, and of silver a decrease of $464,587 61. The coinage of gold was $1,348,000 more than last year.

The supply of coin is now good, and the demand for duties has been as follows:

Total January 1 to 28, 1868	$516,515 76
Total January 1 to 28, 1867	396,824 23

BUILDINGS IN NEW YORK AND BROOKLYN, 1867.

	Finished in 1867.			Unfi'ed Dec. 31, '67		
	N. Y'k.	Brooklyn.	Total.	N. Y.	Br'klyn.	Total.
Stone edifices	6	12	18	13	10	23
Stone front do	589	335	924	383	107	490
Brick	1,004	709	1,713	221	299	620
Brick fronts	76	9	85	34	4	38
Iron	5	....	5	....	....	....
Iron and brick	25	....	25	1	....	1
Frame	368	1,721	2,089	55	443	498
Total	2,073	2,786	4,859	807	863	1,670
Described as follows:						
Public buildings	26	12	38	20	5	25
Houses of worship	26	19	45	13	12	25
Stores and warehouses	317	108	435	82	28	110
Manufac. and workshops	299	149	448	36	13	49
Tenement houses	486	226	712	149	34	183
First-class dwellings	658	1,166	1,824	465	478	943
Dwellings less than 3 stories	261	1,106	1,367	42	293	335
Total	2,073	2,786	4,859	807	863	1,670

Police Report, Feb. 19, 1868.

FISHING WEALTH OF ALASKA.

The Vancouver *Register* publishes an article on the resources of Russian America, from which we extract a portion relative to its fishing advantages. The writer is J. L. McDonald, of Steilacoom, who is the author of the memorial concerning the fisheries, which is conceded to have been the foundation of subsequent negotiations:

The effect of the acquisition on the commerce of the Pacific coast is now manifested in various ways. Shipbuilders, always alive and on the alert for any lay-out, like the war horse, "snuff the battle afar off;" we learn of trim fast schooners being laid down at our mills and harbors, and as our northern territories abound with superior building materials in inexhaustible quantities, and as active, ambitious mechanics are flocking here daily in healthy numbers, truly "every prospect pleases," and we anticipate lively times before long. Nor should it be forgotten that abundance of superior salt is now being manufactured in and around San Francisco by solar evaporators, which is well adapted for the curing of fish, and sold in bulk for $4 per ton in coin. We hope to see salt manufactured along our coast before long, particularly Puget Sound, as the trophical salt is too strong, and ill adapted for the curing of fish. The climate of our coast ranges is more favorable than on the Atlantic coast; the fiercest gales on this need not disturb or obstruct fishing in a well found and manned schooner on our coast. And the absence of currents, icebergs or vessels passing and re-passing (the terrors of fishermen on the Grand Bank) along our fishing grounds, renders fishing a mere recreation as compared to the dread terrors of George's or the Grand Banks in the Atlantic ocean. From this favorable margin in our favor, it follows that the wear and tear to man or vessel is moderate and even, that little risk is encountered, and consequently that the premium of insurance on these risks will range much lower than those paid in the Atlantic ports. Nor must we overlook our superior facilities on this coast in the fitting out of our fishermen with warm raiment and healthy

food; we have wool enough of our own raising of superior quality to furnish our hardy fishermen with durable warm blankets, clothing, socks, mittens, gloves and nippers, with some to spare, and as to our flour, meal, pork, beef, potatoes, beans and all other needed "truck and dicker," we hope ere many years to feed the multitude.

Our climate and facilities for curing fish are in every way adapted. Our dry, warm northerly breezes—so regular and pure—have already been tried, and Puget Sound codfish, dried at Port Madison, have long commanded a premium in San Francisco. Among the many obstacles which obstruct the fishing business in British North America, the extra boats and crews needed form no small item of the "great general bill." The port of Canso and the Magdalene Islands are generally resorted to to obtain these indispensable aids which foot up in a schooner of one hundred tons some $1,500, usually paid in breadstuffs, provisions or money, generally in advance, which in a fleet of one hundred vessels amounts to very considerable sums annually. In our new acquisition matters are much better; there we find thousands of hardy, skilful, well-experienced Indian fishermen, all having their own beautiful, trim canoes, which for the coast fishing are superior to any boats afloat. This element, so ready and willing to fish, will effect much saving in men and boats to those who are desirous of locating for the purpose of fishing and trading in those waters; those Indians are also expert in making barrels, kegs and kits, so much needed for curing hallibut, herring and salmon. The Chinamen flocking to our shore will here prove a useful element in developing our "hidden treasure;" being excellent fishermen and expert boatmen, they cannot fail to add much to our rising fisheries in the north, and we believe the un-Christian animosity now so freely vented at this useful class, will speedily melt into "upper air." Thus, Mr. Editor, will our vast coves, bays and harbors, abounding with choice cod, hallibut, herring and salmon—sandwiched in with whale and cod liver oil of rare quality and value, with a climate unsurpassed, free from ice "liners" or dense fogs, and with our great facilities for building the vessels suitable for the business, with abundance of salt, breadstuffs, provisions and clothing. In view of such rare faculties, may we not look for and expect replenishing streams of ambitious young men of capital from the Eastern fishing ports?

NEW SHIP CANAL IN HOLLAND.

The British Consul at Amsterdam (Mr. Newnham), in a recent report to the Foreign Office, states that the Amsterdam Canal works are now proceeding with great rapidity. They consist in the formation of a ship canal 213 feet wide at the water line and 18 feet deep, to open a communication between Amsterdam and the North Sea, and avoid the circuitous and expensive route through the North Holland Canal, which has for many years formed the only approach to the city navigable by large vessels. The canal runs through the shallow lake called the Y and Wyker Meer, and cuts through the high and sandy neck of land, 6,000 metres across, which now separates them from the North Sea, where a harbor will be formed by projecting piers built of concrete blocks, which will contain an area of over 200 acres. To preserve the water in the canal at a fixe

level, beyond the influence of the tides, locks will be constructed at the North Sea entrance, and at the eastern end a dam across Pampus, also furnished with ocks, is now being made to cut off the Zuyder Zee. The lakes Y and Wykers Meer, with the exception of the channel to be dredged through them, will be reclaimed, and will furnish 12,000 acres of the richest alluvial land. The whole undertaking is estimated to cost 28,000 florins, and the contract for the whole, which has been taken by an English firm (Mr. H. Lee & Son), is now being energetically pushed forward, the chief engineer being the well-known Mr. Hawkshaw. The Pampusdam is about 1,300 metres long, and the circular cofferdam for the locks, 160 metres in diameter—in itself a work of great engineering interest and novelty—is just completed. The works of the ma n canal, which are progressing chiefly at its western portion, are advancing rapidly, and it is expected that a great part of the Lake Wyker Meer will be reclaimed by the end of the ensuing year. The neck of land between the lake and the sea, through which one of the largest cuttings in the world, 5,000,000 cubic yards, is being made, i about half completed. The piers of the harbor are to consist of concrete bloc k s and large block-making works have been established at Velsen, which are turning out about 50 blocks a day, averaging between three and four cubic yards each. Of the northern pier a length of about 350 feet has already been constructed, and a wooden pier has likewise been run out some distance into the sea, and a stagi g erected at the end to enable the building of the new pier to proceed from three independent points. The southern pier will be commenced in the summer.—*The Engineer.*

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st March and 1st April, 1868 :

DEBT BEARING COIN INTEREST.

	March 1.	April 1.	Increase.	Decrease.
5 per cent. bonds	$212,784,400 00	$214,464,400 00	$1,680,000 00	$ ......
6 " '67 & '68	9,378,191 80	8,903,641 80	....	474,550 00
6 " 1881	283,676,600 00	283,677,150 00	550 00	....
6 " (5-20's)	1,407,321,800 00	1,424,395,650 00	17,073,850 00	....
Navy Pen. F'd 6 p.c.	13,000,000 00	13,000,000 00	....	....
Total	1,926,160,991 80	1,944,440,841 80	18,279,850 00	....

DEBT BEARING CURRENCY INTEREST.

	March 1.	April 1.	Increase.	Decrease.
6 per ct. (RR) bonds	$22,470,000 00	$23,582,000 00	$1,112,000 00	$.....
3-y'ars com. int. n'tes	46,244,780 00	46,010,530 00	....	234,250 00
3-years 7-30 notes	202,951,100 00	185,884,1 0 00	....	17,067.000 00
3 p. cent. certificates	25,585,000 00	26,290,000 00	705,000 00	....
Total	297,250,880 00	281,766,630 00	....	15,484,250 00

MATURED DEBT NOT PRESENTED FOR PAYMENT.

	March 1.	April 1.	Increase.	Decrease.
7-30 n. due Aug. 15,'67	$1,519.600 00	$1,303,550 00	$..........	$216,050 00
6 p. c. comp. int. n'es	6,163.000 00	5,393,030 00	....	769,970 00
B'ds of Texas ind'ty	256.0 0 00	256,000 00	....	......
Treasury notes (old)	159,661 64	158,611 64	....	1,050 00
B'ds of Apr. 15, 1842	6,000 00	6,000 00	....	....
Treas. n's of Ma. 3,63	616.192 00	616 192 00	....	....
Temporary loan	1,890,700 00	1.284.000 00	....	606,700 00
Certifi. of indebt'ess	19,000 00	19.000 00	....	....
Total	10,630,153 64	9,036,383 64	$..........	1,593,770 00

DEBT BEARING NO INTEREST.

United States notes	$356,157,747 00	$356,144,727 00	$........	$13,020 00
Fractional currency	32,307,947 51	32,588,659 94	280,742 43	....
Gold certi. of deposit	25,699,860 00	17,742,060 00	....	7,957,300 00
Total	414,165,054 51	406,475,476 94	....	7,689,577 57

RECAPITULATION.

	$	$	$	$
Bearing coin interest	1,926,160,991 80	1,944,440,841 80	18,279,850 00	....
Bearing cur'y interest	297,250,880 00	281,766,630 00	....	15,484,250 00
Matured debt	10,630,153 64	9,036,383 64	....	1,593,770 00
Bearing no interest	414,165,054 51	406,475,476 94	....	7,689,577 57
Aggregate	2,648,207,079 95	2,641,719,332 38	....	6,487,747 57
Coin & cur. in Treas	128,377,457 11	122,509,645 02	....	5,867,812 09
Debt less coin and cur	2,519,829,622 84	2,519,209,687 36	....	619,935 48

The following statement shows the amount of coin and currency separately at the dates in the foregoing table:

COIN AND CURRENCY IN TREASURY.

Coin	$106,623,374 75	$99,279,617 68	$........	$7,344,757 07
Currency	21,754,082 36	23,230,027 34	1,475,944 98	....
Total coin & curre'y	128,377,457 11	122,509,645 02	....	5,867,812 09

The annual interest payable on the debt, as existing March 1 and April 1, 1868, (exclusive of interest on the compound interest notes) compares as follows:

ANNUAL INTEREST PAYABLE ON PUBLIC DEBT.

	March 1.	April 1.	Increase.	Decrease.
Coin—5 per cents	$10,639,220 00	$10,723,220 00	$84,000 00	$........
" 6 " '67 &'68	562,691 50	534,218 16	....	28,473 34
" 6 " 1881	17,020,596 00	17,020,629 00	33 00	....
" 6 " (5-20's)	84,439,308 00	85,463,739 00	1,024,431 00	....
" 6 " N. P. F.	780,000 00	780,000 00	....	....
Total coin interest	$113,441,815 50	$114,521,806 16	$1,079,990 66	$........
Currency—6 per cents	$1,348,200 00	$1,414,920 00	$66,720 00	$........
" 7.30 "	14,815,430 30	13,569,539 30	....	1,245,891 00
" 3 "	767,550 00	787,700 00	20,150 00	....
Total currency inter't	$16,931,180 30	$15,772,159 80	....	$1,159,021 00

COMMERCIAL CHRONICLE AND REVIEW.

Unsettled condition of the Money Market—New York Stock Exchange Board—Opening, Highest and Lowest Miscellaneous Securities at the New York Stock Exchange—Government Securities—Bonds sold at the New York Stock Exchange Board—Prices of Government Securities at New York—Course of Consols and American Securities at London—Course of Gold at New York—General Movement of Coin and Bullion at New York—Amount of Specie in the Clearing-House—Course of Foreign Exchange at New York.

The distinguishing feature of business during March has been the unsettled condition of the money market. The month opened with an active 7 per cent. market, the result of remittances to the South, and of a premature demand for funds from the West for the purchase of breadstuffs. Before the middle of the month, a very sharp stringency was developed, which has continued without intermission to the close. The Treasury commenced the month with an unusually low balance of currency, and the requisitions of the War and Navy Departments being unusually heavy, the Treasurer found it necessary to call in a considerable amount of funds from the National Depositories, while the Assistant Treasurer, in this city also had to sell gold in order to keep up his currency balance; the result of these operations being a sharp depletion of the resources of the banks. During the second week the Directors of the Erie Railroad Com-

pany sold several millions of new stock, and in order to protect the proceeds against legal process removed the funds to Jersey City; and according to report Mr. Drew, from a similar motive, transferred his private funds, estimated at 2½ to 3 millions, to New Jersey. In this way, a very material amount of money was taken entirely out of circulation; and this loss coming upon an already partially straitened condition of the banks, has resulted in a stringency scarcely equalled for severity and continuance for many years. So soon as the gravity of the situation became clearly apparent, the Treasury showed a disposition to afford what relief was in its power; but, with its reduced balance and large departmental requirements, it has accomplished little beyond buoying up the hopes of the market. The Assistant Treasurer has bought several millions of Seven-Thirties, but in order to do this has found it necessary to sell nearly an equal amount of coin. The Secretary of the Treasury expressed his willingness to issue to the banks an amount not exceeding $10,000,000 of 3 per cent. Clearing House Certificates in exchange for Seven-Thirties or Compound Interest Notes, or to a moderate extent for bank currency; the banks, however, after twice meeting to consider the proposal, very wisely declined the proposal. As usual at this season, a certain amount of currency has been withdrawn into the interior of the State for settlements in real estate consummated on the 1st of April. The preparation for the quarterly statement of the banks made up on the first Monday of April, has also had a deranging effect upon the operations of the banks. As the result of these causes, the rate of interest, for the latter half of March, has been very generally 7 per cent. in gold among the private bankers, and some of the leading banks even have charged that rate, while in not a few instances ⅛ and ¼ per cent. per day, *i.e.* 45 and 90 per cent. per annum, has been paid by borrowers upon stocks.

What has the government to do with the money market, asked a cotemporary the other day. Why should the banks apply to the Treasury for Clearing-House Certificates or for any other relief? It might, perhaps, be well for the country at present if the Treasury possessed no control over the money market, and never attempted to regulate the price of gold. But we must take things as we find them, and deal with practical difficulties as they arise. For the last week or two there has been a good deal of talk about the Sub-Treasury, its sales of gold, and its purchases of Seven-Thirties, its prodigious balance, and its disturbance of the loan market. The official statement has just appeared, according to law, to show the business of the office of the Assistant Treasurer of the United States in New York for the month ending March 31, 1868. As, during that month, it happened that the excitement of the money market was charged to have been augmented in volume and extent by the Treasury movements, we might reasonably have expected from the statement before us to learn the truth or falsity of the allegations that were made. The charges are, first, that the Treasury has been selling gold to a greater extent last month, at lower prices, and upon days when there was so much pressure from other causes that the financial machinery was overburdened, and the tightness of money increased. Such is the charge. Now what does the official statement say? It says that the March receipts of gold from customs duties at this port were $11,335,954, against $12,198,039 in March last last. Two other gold entries appear, one, that Mr. Van Dyck ha

received three million of coin, and has issued gold notes therefor; and the other, that he has paid out three millions of coin interest during the month. Both these statements together probably mean that the gold interest which was disbursed last month was nearly all paid in gold notes, and very little of it in actual coin. As to how many New York gold notes are outstanding the report is silent, although the gold notes are really a deposit certificate, showing that so much of the gold in the Treasury belongs to the holders. If the monthly report is intended to give complete information about the coin in the Treasury, it should obviously be made out so as to show the aggregate of coin notes.

But we find a much more serious defect in the statement. The Treasury, as was said, is accused of deranging the money market by locking up greenbacks, and selling gold at a time of extraordinary pressure on the bank machinery. Now from the official report of the month out nobody could gather that any Seven-Thirties have been bought, any greenbacks locked up, or, indeed, that any gold has been sold at all. This arises not from any fault of the Assistant-Treasurer, but because the old forms are used for the accounts—forms which were contrived a score of years ago, when the seven Sub-Treasuries were established. The Sub-Treasury act was passed in August, 1846, and was intended to separate the fiscal operations of the Government from the banks. It required all government payments to be made in coin or Treasury notes, and forbade the deposit in bank of any Government money whatever. How suitable the process established then may be for the present exigencies of the Treasury we can infer from the fact that, in 1846, the whole revenue of the Government from all sources was less than 30 millions, a sum considerably less than one-third of the idle balance at this moment in the New York office alone.

We said that one of the objects of the Independent Treasury system was to divorce the Government money arrangements from the banks. The events of the past month sufficiently show that at present the working of the system is just the opposite of what was intended. The Treasury, so far from being severed from the banks, may now at certain critical periods possess great influence over them, and has had, for some weeks past, almost despotic control over them, because it could at any time take away their legal tender reserves by sales of gold, by sales of bonds, or by drawing down the balances in the National bank depositories. Of the way in which this power of the Treasury has been discussed of late, and of its relations to the banks and the money market, a daily paper speaks as follows:

"These institutions did not expect to have their greenback reserve depleted just now by the heavy Treasury drafts. No notice of it was given. It came suddenly. They had not prepared for any such drain. They scarcely provided for the usual demand of the wants of business at this active season. For these wants their reserve is now barely adequate, consisting as it does of some 12 millions of greenbacks and 40 millions of certificates and compound notes. If the Treasury had announced its intention to take away any part of this precious basis of lawful reserve the banks might have put themselves in readiness for it beforehand. Not having so prepared, and the Treasury drain being for greenbacks, there is no wonder that some of the Three per cent. Cerificates have been passed into the Treasury for redemption. But for the belief that the monetary spasm is transitory, and will be relieved very soon, the banks would have been compelled to call on the Treasury for greenbacks, which they have a right to claim in exchange for the 20 millions they hold of Three per cent. Certificates. To meet such a call the law authorizes an extra issue of 50 millions of greenbacks. And should these be issued the inflationists will have gained one of the points which they are reported to have in view."

We purposely refrain from canvassing certain grave questions which have arisen out of the Treasury dealings in gold and securities. These questions will come up more opportunely hereafter. The discussion now is not as to specific acts of the Treasury, nor as to its general policy, but as to the method of reporting its doings to the people. On this point we conclude, therefore

First, the most candid publicity is demanded, and should be enforced, in reference to all the transactions of the Treasury. This was supposed to be secured by requiring a daily and weekly statement of the receipts, the disbursements and the cash balances, with a complete balance sheet at the end of each month. All these are published in the daily papers. The object of such daily, weekly and monthly publication is to prevent any veil of secrecy from interposing between the eyes of the people and the use which their officers are making of the public money and the public credit.

Secondly, this object is not accomplished by the present method of making out the accounts. The daily statement, for example, tells us that the balance of cash in the Treasury ranged last month both above and below 100 millions. But it does not say, what is well known to be the fact, that this balance is not all cash. Part of it is gold, part bank notes, part greenbacks and part securities paid but not yet cancelled, including Seven-Thirties and gold notes. The monthly statement again puts together gold receipts and currency receipts, telling us that the aggregate for March was some 70 millions, of which no less than $22,648.484 were from "miscellaneous" sources. In this miscellaneous group of receipts we presume are included the premium on the gold sales for the month. If so, the fact is not stated, but is open to doubt and conjecture, so that the people who pay the taxes do not see what is being done with their money as is required by the law and the early custom of the Treasury.

Thirdly, no new legislation whatever is necessary to correct the most patent inconveniences and absurdities of the existing system. They originated in the troubles connected with our war finance, and should be got rid of without delay. Mr. McCulloch, by way of starting the reform, might have the cash balance in the Treasury reported daily under the proper heads of coin, greenbacks and National bank notes; and he should direct that the aggregate sales of gold and bonds be reported each day with the total purchases of Seven-Thirties and compound notes. From what has been said will be seen the uncertainty of the evidence on which rest many of the vague rumors of collusion between the Department and those speculators and money lenders who wished for stringency. In the atmosphere of mystery and secresy which have been allowed to gather round and obscure the Treasury movements the most foolish stories get credence, if they be only plausibly and confidently repeated to persons agitated by the terror and dread of a monetary panic.

The singular feature in affairs is, that with a stringency in money which ordinarily would have issued in a sweeping panic in stocks, the market for securities has remained comparatively steady. Owing to the breaking up of a clique carrying 100,000 shares of Erie, an immense amount of that stock was thrown upon the market, producing, for a few days, wide fluctuations in Erie and New York Central; but otherwise, as will be seen from a subjoined list, the market has yielded little, not even the mercurial stocks on the miscellaneous list, while

some shares have actually advanced. This must be regarded as a very remarkable evidence of the strength of the stock market, and of the resources of the present holders of securities.

The following table will show the volume of shares sold at the New York Stock Exchange Board and the Open Board of Brokers in March, 1867 and 1868, comparatively :

Classes.	1867.	1868.	Increase.	Dec.
Bank shares	3,425	2,979	.....	446
Railroad "	1,597,017	1,393,014	....	204,003
Coal "	33,145	10,946	.....	22,199
Mining "	28,502	10,012	.....	18,490
Improv'nt "	41,975	20,650	.....	21,325
Telegraph "	34,615	45,953	11,338	....
Steamship "	80,561	93,398	12,837	....
Expr'ss&c "	6,562	81,625	75,063	....
Total—March	1,825,802	1,658,577	......	167,225
" —since January 1	5,724,849	5,942,897	218,046	....

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of February and March, 1868 :

	February.				March.			
Railroad Stocks—	Open.	High.	Low.	Clos.	Open.	High.	Low.	Clos'g.
Alton & Terre Haut	51¾	51¾	50	50¾	47	49½	41	44
do do pref	72½	74	72	74	73¼	73¾	69	69
Boston, Hartford & Erie	16½	16½	14	14	16	16	13¼	14½
Chicago & Alton	134	136	128	130	130	131	129½	129½
do do pref	138	138	138	138	133¼	133½	134	132
Chicago, Burl. & Quincy	144	153½	144	149	150	150	149½	150
do & Northwest'n	59¾	61¼	58½	61	69	69½	63	66
do do pref	74	75½	72	73½	78½	76½	72⅝	75¼
do & Rock Island	101¼	102¾	96½	96½	98	98¾	91	93¾
do & Milwaukee	72	72	72	72	....	....	....	....
Cleve., Col. & Cincinnati	106	110	101	102	101½	103	101½	105
do Painesv. & Ashta	110	110½	106	106	104	105	99½	101
do & Pittsburg	98	98½	93¼	94	94½	96½	[illegible]	92¼
do & Toledo	112¾	113	105½	108½	107¾	108½	102¼	104
Del., Lack & Western	114	115	114	114	114	114	113½	114
Dubuque & Sioux City	50	58	50	58	....	....	....	....
do do pref	75	75	75	75	....	....	....	....
Erie	74⅝	78¼	67⅝	67¾	66½	81⅝	65¾	74¾
do pref	83	83	75	78	76¾	80⅝	74	75
Harlem	129¾	131½	129	129	....	....	....	....
Hannibal & St Joseph	60	74	58½	74	74	77	74	77
do do pref	72	82	72	81½	81	85½	80	85
Hudson River	147	149	140	142½	142¼	145	130	141
Illinois Central	133¾	139	133¾	138	140	140	136	137
Ind. & Cincinnati	....	....	....	....	59	59	59	59
Joliet & Chicago	95	95	95	95	....	....	....	....
Lehigh Valley	104	104	104	104	107	107	107	107
Long Island	43	45	43	45	....	....	....	....
Mar. & Cincin., 1st pref	25	35¾	25	29	29	32	29	29
do do 2d do	11½	16	11	11	11	12	11	12
Michigan Central	111¾	114	111¾	113½	113	114	112½	113
do S. & N. Ind.	88½	94	88½	91	91½	92½	87¾	89¾
Mil. & P. du Ch'n, 1st pr	99	100	99	99	99	99	97	97
do do 2d pr	92	93	92	93	91	92	91	92
Milwaukee & St. Paul	47⅝	51⅞	46½	51⅞	51¾	59¼	51	59¼
do do pref	65¼	68	64	67	68	75	66½	74⅝
New Jersey	132	132	132	132	132½	133	132	132
do Central	116	117	115	117	117¾	118	117	117⅝
New York Central	129¾	134¼	125	129⅝	128½	131½	117¾	123¾
do & N. Haven	138½	141	138½	140	140½	141	140½	141
Norwich & Worcester	....	....	....	....	94	94	94	94
Ohio & Mississippi	33	33⅝	29½	30½	30⅝	31¼	29¼	31⅝
do do pref	76	78	75	75	77	77	76	76
Panama	315	345	315	345	345	346	330	330
Pittsb., Ft. W. & Chica	103	103	99⅞	100½	100	103½	99⅝	100½
Reading	96	96	92¼	93¾	93¼	94½	88⅝	90⅝
Rensselaer & Saratoga	81	83¾	80¾	83¾	84¾	84¾	82	83
Rome & Watertown	117	117	117	117	117	117	117	117
Stonington	....	....	....	....	90	90	90	90
Second Avenue	45	45	45	45	....	....	....	....
Toledo, Wab. & Western	46	47¾	45	46½	46½	55⅝	46½	51¼
do do do pref	68	74⅝	68	70½	72	74	70	70

Miscellaneous—								
American Coal	52	53	5?	?3	45	45	45	45
Central do	41	46	41	46	46	48	46	48
Cumberland Coal	36	37½	33	?4	33¾	35¾	30½	32½
Del. & Hud. Canal Coal	148	150	145½	148¾	148	152½	147	152½
Pennsylvania Coal	180	180	180	180	....	....	....	....
Pacific Mail	1'4¼	114¼	108	110½	110¼	111¼	10?½	103
Atlantic do	98½	99	95¼	98½	98	99¾	85¾	88
Union Navigation	....	....	....	....	20	26½	18½	26½
Boston Water Power	21	21½	20	20	20	20½	19¾	19¾
Canton	59	64¼	56¼	62½	64	64½	45	48
New York Guano	12	13	11	11	....	....	....	....
Mariposa	8½	8½	7	7	6½	6½	6	6
do pref	14	14¼	10	11¾	11	11	10	10
Quicksilver	25	25	23	23	22	23	20¾	22¾
Citizen's Gas	140	140	140	140	140	140	140	140
West. Union Telegraph	37	37	33¾	34¾	34¼	36½	33½	36
Express—								
American	72	73½	66	70	70	70½	67	69¼
Adams	76½	77	71⅝	73½	73½	76½	70	76
United States	75½	76¼	71	73	73	73¼	69½	71
Merchant's Union	36¼	36½	30¼	35	35	35⅝	32⅜	34⅞
Wells, Fargo & Co.	45	45	40	40¼	40½	41	35	35½

Government Securities have been unusually active, but the prevailing tone has been weak. At this period of the year, there is usually a good deal of realizing upon bonds by parties desiring to use the proceeds in business, and this class of sellers has naturally been augmented by the extreme stringency of money. The purchases of Seven-Thirties by the Government have sustained the market against the depression arising from these causes, and at the close prices do not show any important change from the opening figures.

The amount of Government bonds and notes, State and city and company bonds, sold at the New York Stock Exchange in the month of March, 1867 and 1868, comparatively, is shown in the statement which follows:

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1867.	1868.	Inc.	Dec.
U. S. bonds	$5,689,050	$13,432,750	$7,743,700	$.......
U. S. notes	1,039,430	4,701,600	3,662,170	....
St'e & city b'ds	3,936,500	6,653,500	2,717,000	....
Company b'ds	731,500	1,112,500	381,000	....
Total—March	$11,396,480	$25,900,350	$14,503,870	....
" —since Jan. 1	34,595,430	63,349,650	28,754,220	....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board, as represented by the latest sale officially reported are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

		6's, 1881.		6's, (5-20 yrs.) Coupon					5's, 10-40	7-30.
Day of month.		Coup.	Reg.	1862.	1864.	1865.	new.	1867.	yrs. C'pn.	2d sr.
Sunday	1	.....	.....	.....	.....	.....	.....	.....	.....	.....
Monday	2	.....	.....	110¼	107¼	108¼	106¾	107	101⅛	105¾
Tuesday	3	111	.....	110⅝	108	108⅜	106⅞	1·7	101¼	105⅞
Wednesday	4	111	.....	110⅝	108⅛	109	107	107¼	101⅜	106¼
Thursday	5	111⅛	111½	110⅜	107⅞	108⅞	106⅞	107	101⅛	106⅛
Friday	6	111⅛	.....	110¼	107¾	108⅝	106⅞	107	101¼	105⅞
Saturday	7	111⅛	111	110⅞	.....	108½	106⅞	107	101¼	105⅞
Sunday	8	.	.....	.....	.....	.....	.....	.....	.....	.....
Monday	9	111	.....	110⅛	107¾	108⅝	106⅞	107	101⅜	105⅞
Tuesday	10	110¼	.....	110	107½	.....	106⅝	106⅝	101⅛	105½
Wednesday	11	110⅛	.....	109⅜	107¼	108	106⅜	106½	101⅛	105¼
Thursday	12	110⅛	.....	110	1·7⅝	108⅛	106½	106½	101⅛	105⅜
Friday	13	111⅜	.....	110⅜	108	108⅜	106⅞	1·7⅛	101¼	105¾
Saturday	14	.....	.....	110¼	108⅛	108½	107	107½	101⅜	106½
Sunday	15	.....	.....	.....	.....	.....	.....	.....	.....	.....
Monday	16	111¾	.....	110¾	108¼	108¾	107¼	107½	101¼	106½
Tuesday	17	111⅝	.....	110	108⅜	108⅝	107	107⅜	101	106½
Wednesday	18	110⅞	.....	110	107¾	108⅛	106⅝	106⅞	100¾	105⅝
Thursday	19	111⅛	.	109⅞	107⅞	108	106⅞	107	100⅞	105⅞
Friday	20	111⅛	111	110⅛	107⅞	108¼	106⅞	107⅜	101	1·6⅝
Saturday	21	....	.....	110¼	.....	108⅜	107¼	107½	101	106⅝

Sunday 22	.....	.....	.....	.....	.....	.....	.....	.....	.....
Monday 23	110⅝	111	110¼	108	108¼	106⅜	107	100¾	106¼
Tuesday 24	110⅝	.....	109⅞	107⅛	107¾	106¼	106⅝	100⅛	105⅜
Wednesday 25	.....	.....	109⅞	107⅜	108⅛	106⅜	106¾	100⅜	105⅜
Thursday 26	110⅝	110¾	109⅞	107¾	108	106⅜	106⅝	100⅜	105⅝
Friday 27	111⅛	110⅞	..	107¾	.....	106⅝	107	100⅛	105¾
Saturday 28	.....	110⅝	109⅞	108⅛	108⅜	107	107¼	100⅞	106
Sunday 29	.....	.....	.....	.....	.....	.....	.....	.....	.....
Monday 30	111¼	.....	109¾	108	108¼	106¾	107¼	101⅛	.....
Tuesday 31	111	....	109⅝	107⅞	108⅛	106⅜	107	100¾	105¾
First	111	111⅛	110¼	107¾	108¾	106¾	107	101⅛	105⅝
Lowest	110¼	110¾	109⅝	107⅜	108	106¼	106⅛	100⅜	105⅛
Highest	111⅜	111⅛	110¾	108⅝	109	107¼	107⅝	101⅜	106⅛
Range	1⅛	0⅜	1⅛	0⅞	1	1	1	1	1⅛
Last	111	110⅞	109⅝	107⅞	108⅛	106¾	107	100¾	105¾

The closing prices of Consols for money and certain American securities (viz. U. S. 6's 5-20's 1862, Illinois Central and Erie shares) at London, on each day of the month of March, are shown in the following statement:

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities U. S. 5-20s	Ill. C. sh's.	Erie sh's.
Sunday 1	....	..	....	....	Sat'day 21	93¼	72¼	89⅝	46¾
Monday 2	93⅛	71⅜	88⅝	44	Sunday 22	...	....	....	....
Tues 3	93¼	71⅝	89¼	43⅜	Monday 23	93⅛	72⅝	89⅜	46¾
Wedne 4	93⅛	71⅝	89⅛	47¾	Tus'day 24	93⅛	72⅛	89¾	47
Thurs. 5	93⅛	71⅝	89¼	47¼	Wednesday 25	93¼	72⅛	8 ⅜	46⅛
Friday 6	93⅛	71⅝	89	46⅜	Thursday 26	93⅛	72⅛	89⅜	45¾
Sat'day 7	93⅛	71⅜	89	47⅞	Friday 27	93⅛	72⅛	89⅜	47
Sunday 8	....	....	....	....	Saturday 28	93⅛	72⅛	89¾	47
Monday 9	93⅛	71¾	89¼	50⅛	Sunday 29	..	....		....
Tues. 10	93¼	71⅝	89¼	49¼	Monday 30	93⅛	72	89⅜	48⅛
Wedne 11	93⅛	71⅝	89⅝	49¼	Tuesday 31	93⅛	72	89¾	48⅜
Thurs 12	93⅛	71⅞	89⅛	49⅝					
Friday 13	93⅛	71⅞	89⅛	49¼	Lowest	92⅞	71¼	88⅝	43¾
Sat'day 14	93⅛	72	89¼	49⅜	Highest	93¼	72¼	89¾	50⅛
Sunday 15	....	....	....	..	Range	0⅜	1	1⅛	6⅜
Monday 16	93	72¼	89⅝	47⅞					
Tuesday 17	93⅛	72	89⅛	45¾	Low } Since Jan. 1	91⅞	71¼	84¾	41⅛
Wedn'y 18	93¼	72¼	89¼	45⅜	Hig } Since Jan. 1	93⅜	72⅝	89¾	50⅛
Thursday 19	93⅛	72¼	89⅛	46⅛	Rng } Since Jan. 1	1⅝	1⅜	5	8⅜
Friday 20	93⅛	72⅛	89⅜	47¼	Last	93⅛	72	89¾	48⅜

The closing prices of Five-Twenties at Frankfort in each week ending with Thursday, were as follows:

March 5.	March 12.	March 19.	March 26.	Month.
75¼	75⅛	75⅜@75⅛	75¼@75⅜	75⅛@75⅜

The stringent condition of money and the absorption of the speculative interest in stock movements have been again t an average activity in the gold market, and have at the same time favored a lower premium. Washington has failed to supply the usual amount of sensations; and the foreign markets for securities, and the steady course of European politics have been devoid of changes calculated to produce fluctuations in the price of gold. There appears to have been a gradual surrender of the idea which has for some time been held with much positiveness that the course of our foreign commerce would necessitate an unusual export of coin this Spring or Summer, and now an opposite opinion is fast gaining ground, in view of the strict moderation of our imports and the high prices realized on our exports of cotton and breadstuffs. In sympathy with these views. and in anticipation of the payment of the May coin interest, the market has been constantly oversold, and very high rates of interest have been paid for having gold 'carried." The premium declined from 141½ at the

opening of the month to 137⅞ on the 24th, and closed at 138⅝ The Treasury has paid out during the month $3,161,086 on account of coin interest; beside which, as will be seen from a subjoined statement, there has been received, $3,634,387 from sources not publicly indicated, but really for the most part from sales of coin by the Treasury.

The following statement exhibits the fluctuations of the New York gold market in the month of March, 1868 :

COURSE OF GOLD AT NEW YORK.

Date.		Openi'g	Lowest.	High'st.	Closing.	Date.		Openi'g	Lowest.	High'st	Closing.
Sunday	1	.....	.....	.....	.....	Sunday	22	.....	.....	.....	.....
Monday	2	141¼	140⅞	141¼	141	Monday	23	139⅜	138⅝	139⅛	138¾
Tuesday	3	141	140⅞	141¼	141⅛	Tuesday	24	138⅜	137⅞	138⅜	138
Wednesday	4	141	140⅝	141¼	140⅞	Wednesday	25	138⅛	138⅛	138¾	138⅜
Thursday	5	141	141	141¼	141	Thursday	26	138½	138¼	138⅛	138⅜
Friday	6	141¼	141⅛	141¼	141¼	Friday	27	138⅛	138⅛	138⅝	138⅜
Saturday	7	141⅛	140⅝	140⅜	140⅝	Saturday	28	138⅛	138⅜	138⅝	138⅝
Sunday	8	.....	.....	.....	.....	Sunday	29	.....	.....	.....	.....
Monday	9	140⅛	139⅝	140⅞	140	Monday	30	139	138	139⅞	138¾
Tuesday	10	140	139¾	140¼	139¾	Tuesday	31	138⅝	138⅜	138¾	138⅝
Wednesday	11	139⅝	139¼	139⅝	139½						
Thursday	12	139⅝	139½	140⅛	139¾	March	1868	141¼	137⅞	141¼	138⅝
Friday	13	139⅝	139⅛	140	139⅝	"	1867	140¼	133⅝	140⅜	134
Saturday	14	139⅛	138⅞	139⅜	139¼	"	1866	136⅛	124⅞	136½	127⅞
Sunday	15	.....	.....	.....	.....	"	1865	201	148⅛	201	151⅛
Monday	16	139⅜	138⅛	139⅞	139¼	"	1864	159⅝	159	169¾	164¼
Tuesday	17	139⅝	139	139⅝	139⅛	"	1863	171⅛	139	171¾	149¾
Wednesday	18	138⅝	138¼	138⅞	138⅜	"	1862	102⅜	101⅜	102⅛	101¾
Thursday	19	138⅛	138¼	138¾	138⅛						
Friday	20	138⅜	138¼	138¾	138⅝	S'ce Jan 1, 1868		133¼	133¼	144	138⅝
Saturday	21	138⅜	138⅜	139⅜	139¼						

The following formula furnishes the details of the general movement of coin and bullion at this port for the month of March, 1867 and 1868, comparatively :

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1867.	1868.	Increase.	Decrease
Receipts from California	$1,896,857	$1,503,433	$...	$388,424
Imports from foreign ports	142,892	848,841	705,949	......
Coin interest paid from Treasury	2,830,526	3,161,086	230,560	......
Total reported new supply	$4,870,275	$5,518,360	$648,085	....
Exports to foreign ports	$1,837,824	$3,528,609	$1,744,785	$........
Customs duties	12,198,039	9,717,472	... .	2,480,567
Total withdrawn	$14,035,863	$13,300,081	$	$735,782
Excess of withdrawals	$9,165.588	$7,781,721	....	
Bank specie decreased	3,056,772	4,147,334	1,090,562	....
Bal. derived from unrepo'd sou's	$6,108,816	$3,634,387	$........	$2,474,429

The amount of specie in the Clearing House Banks at the opening and closing of March, 1867 and 1868, was as follows :

	1867.	1868.	Increase.	Decrease.
At opening	$11,579,381	$22,091,642	$10,512,261	$ ....
At closing	8,522,609	17,944,308	9,421,699	.. ....
Decrease on the month	3,056,772	4,147,334	....	....

The following exhibits the quotations at New York for bankers' 60 days bills on the principal European markets daily in the month of March, 1868 :

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1	....	....	....	....	....	......
2	109⅝@109⅞	515 @.....	41⅛@41⅛	79⅝@79¾	36⅛@36¼	71⅞@72
3	109⅝@109¾	515 @513¾	41⅛@41¼	79⅝@79¾	36⅛@36¼	71⅞@72
4	109⅝@109¾	515 @513¾	41⅛@41¼	79⅝@79¾	36⅛@36¼	71⅞@72
5	109½@109⅝	516¼@513¾	41⅛@41¼	79⅝@79¾	36⅛@36¼	71⅞@72
6	109⅝@109⅝	517⅛@516¼	41⅛@41¼	79⅝@79⅝	36⅛@36¼	71⅞@72
7	109⅝@109⅝	517⅛@516¼	41⅛@41¼	79⅝@79⅞	36⅛@36¼	71⅞@72

8.	....	....	....	....	....	....
9.	109⅝@109⅝	517½@515⅝	41⅛@41¼	79¼@79⅝	36⅛@36¼	71⅞@72
10.	109⅝@109⅞	517½@515⅝	41⅛@41¼	79⅛@79⅝	36⅛@36¼	71⅞@72
11.	109⅝@109⅞	517½@515⅝	41⅛@41¼	79¼@79⅜	36⅛@36¼	71⅞@72
12	109⅝@109⅞	517½@515⅝	41⅛@41¼	79¼@79⅜	36⅛@36¼	71⅞@72
13.	109⅝@109⅞	516⅞@515⅝	41⅛@41¼	79⅛@79¼	36 @36⅛	71⅝@71⅞
14.	109⅝@109⅝	516⅞@515⅝	41⅛@41¼	79⅛@79¼	36 @36⅛	71⅝@71⅞
15	....	....	....	....	....	....
16	109⅞@110	515 @514⅝	41⅛@41¼	79⅛@79¼	36⅛@36¼	71⅞@72
17.	109⅝@109⅞	516¼@515⅝	41⅛@41¼	79⅛@79¼	36⅛@36¼	71⅞@72
18.	109⅝@109⅞	516¼@515⅝	41⅛@41¼	79⅛@79¼	36⅛@36¼	71⅞@72
19.	109⅝@109⅞	516¼@515⅝	41⅛@41¼	79⅛@79¼	36⅛@36¼	71⅞@72
20.	109⅝@109⅞	516¼@515⅝	41⅛@41¼	79⅛@79¼	36⅛@36¼	72⅞@72
21.	109⅝@109⅞	516¼@515⅝	41⅛@41¼	79⅛@78¼	36⅛@36¼	71⅞@72
22.	....	....	....	....	....	....
23.	109⅝@109⅝	516¼@515⅝	41 @41⅛	79 @79⅛	36 @36⅛	71⅝@71⅞
24.	109⅝@109¼	517½@516¼	41 @41⅛	79 @79⅛	36 @36⅛	71⅝@71⅞
25	109⅝@109⅝	517½@516¼	41 @41⅛	79 @79⅛	36 @36⅛	71⅝@71⅞
26.	109⅝@109⅞	517½@516¼	41 @41⅛	79 @79⅛	36 @36⅛	71⅝@71⅞
27.	109⅝@109⅝	517½@516¼	41 @41⅛	79 @79⅛	36 @36⅛	71⅝@71⅞
28.	109⅝@109⅝	517½@516¼	41 @41⅛	79 @79⅛	36 @36⅛	71⅝@71⅞
29.	....	....	....	....	....	....
30.	109¼@109⅝	517½@516¼	41 @41⅛	79 @79⅛	36 @36⅛	71⅝@71⅞
31	109⅝@109¼	517½@518¼	41 @41⅛	79¼@79½	36 @36⅛	71⅞@72
Mar. 1868.	109¼@110	517½@518¼	41 @41⅛	79 @79¼	36 @36¼	71⅞@72
Mar. 1867.	108 @109¼	525 @515	40¾@41⅛	78 @79⅛	35⅞@36⅞	71⅛@72⅛

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'gs.
January 4.	$249,741,297	$12,724,614	$34,134,392	$187,070,786	$62,111,201	$483,266,301
January 11	253,170,723	19,222,856	34,004,137	194,835,525	64,753,116	553,884,525
January 18	256,033,938	23,191.867	34,071,006	205,883 1[illegible]3	66,155,241	619,797,369
January 25	258.392,101	25,106,800	34,0[illegible]2,762	210,093,084	67,154,161	528,503,223
February 1	266,415 613	23,955,320	44,062,521	213.330,524	65,197,158	637,449,923
February 8	[illegible]70,555,356	22,823,372	34,096,834	217,844,5[illegible]8	55,846,259	597,242,595
February 15	271,015,970	24,192,955	34,043,206	216,759,823	63,471,762	550,521,185
February 21	267,763,643	22,513,987	34,100,023	[illegible]09,095.351	69,868,930	452,421,592
February 29	267,240,678	22,091,643	34,0 6,223	208,651,578	58,553,607	705,109 784
March 7	269,156,636	20,714,283	34,153 957	207,737,080	57,017,044	619,219,598
March 14	266,816,084	19,744,70[illegible]	34.218,381	[illegible]01,188,470	54,788,866	691,277,641
March 21	261,476,900	17.944.308	34.212,571	191,191,526	52,261,086	649,482,341
March 28	257,378,947	17,323,367	34,193,808	186,525,128	52,123,078	557,843,908

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 4	$ 6,782,432	$52.00[illegible],304	$235,912	$10,639,000	$36,621.274
January 11	16,037,995	52,593,707	400,615	10,639,096	37,131,830
January 18	16,827.423	53,018,196	320,973	10,641,752	37,457,089
January 25	16,836,937	52,325,599	279,393	10,645,226	37,312,540
February 1	17,064,184	52,604,916	248,673	10,688,927	37,922,287
February 8	17,063,716	52,672,448	287,878	10,635,926	37 396,653
February 15	16,949,944	52,532,946	263,157	10,663,328	37,010,520
February 22	17,573,149	52,423,166	204,929	10,632,495	36,453,464
February 29	17,877,877	52,459.757	211,365	10,634,484	35,798,314
March 7	17,157,954	53,081,665	232,180	10,633,713	34,826,861
March 14	16,662,299	53,367,611	251,051	10,631,399	34,523,550
March 21	15,664.946	53,677,337	229,518	10,643,613	33,836,996
March 28	14,348,391	53,450,878	192 858	10,643,606	32,428,390

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation. National.	Circulation. State.
January 3	$34.960,249	$1,466,246	$15,543,169	$40,856,022	$24,636,559	$228,730
January 13	97,800,239	1,276,987	15,560,965	41,496,320	24,757,965	227,953
January 20	97,433,463	926,942	15.832,769	41,904,161	24,700,001	217,372
January 27	97,433,435	841,196	16,349,637	43,991,[illegible]70	14,564,[illegible]06	226,2[illegible]8
February 3	96,895,260	777,627	16,738,229	42,891,128	24,628,103	221,[illegible]60
February 10	97,973,916	652,939	16,497.643	42.752,067	24.850,926	221,700
February 17	98,218,828	605,[illegible]40	16.561 4 1	41 502,550	24,850,055	220,452
February 24	97,469,436	616,953	16,309.501	40,387,614	24,686,212	216,490
March 2	100,248,692	633,8[illegible]2	16.304,846	40,954,936	24,876,089	2 5,214
March 9	101,[illegible]59 361	867,174	15,556,696	39.770,418	24,987,700	210,162
March 16	101,499,611	918,485	14,5[illegible]2,342	39,276,514	25,062,418	197,720
March 23	100,109,595	798,606	13,712,560	37,022,546	25,094,253	197.289
March 30	99,132,268	685,034	13,726,032	36,184,640	24,983,417	197,079